

Commission at File No. 180810-39625 (the “**Financing Statement**”), and (c) a second priority, duly perfected mortgage lien in, to and against certain real property and the improvements thereon commonly known as 4700 Providence Road, Perry, Florida 32347 (the “**Florida Property**”), pursuant to the terms and conditions of, and as more fully described in, a Supplemental Mortgage, Assignment, Security Agreement and Fixture Filing, dated May 17, 2019, executed by the Mortgagor for the benefit of the Lender and recorded with the Clerk of the Circuit Court for Taylor County at Book 797, Page 914 (the “**Florida Mortgage**”).

R4. The Note, the Financing and Security Agreement, the Guaranties, the Virginia Deed of Trust, the Florida Mortgage and the Financing Statement, together with all other documents relating thereto or executed in connection the Loan, are hereinafter collectively referred to as, the “**Loan Documents**”. The Florida Property and the Virginia Property are hereinafter collectively referred to as, the “**Real Property**”. The Real Property and the Personal Property, together with all other collateral securing the Loan, are hereinafter collectively referred to as, the “**Collateral**”. The Borrower, the Guarantors and the Mortgagor are hereinafter collectively referred to as, the “**Obligors**”.

R5. Prior hereto, the following immediate and incurable events of default, among others, occurred under the terms and conditions of the Loan Documents (collectively, the “**Noticed Defaults**”):

(a) The Obligors’ failure to satisfy all indebtedness due and owing under the Loan on or before the maturity date of December 1, 2020 (the “**Maturity Default**”);²

(b) The Borrower’s and the Guarantors’ failure to furnish to the Lender certain financial information when and as required under the terms of the Loan Documents, including, but not limited to, (i) within one hundred fifty (150) days after the closing of the Borrower’s fiscal year, the Borrower’s 2018 and 2019 annual financial statements, (ii) within forty-five (45) days of the close of the Borrower’s fiscal quarter ending September 30, 2020, the Borrower’s quarterly financial statements, (iii) within twenty (20) days after the close of fiscal months ending November 30, 2020 and December 31, 2020, the Borrower’s monthly financial statements, and (iv) the Guarantors’ annual updated personal financial statements;

(c) The Guarantors’ failure to pay the real estate taxes on the Virginia Property before delinquency and penalty for non-payment thereon that were, upon information and belief, due on August 28, 2020 in the amount of \$21,701.77 and on December 5, 2020 in the amount of \$21,701.76 (the “**Unpaid 2020 Virginia Property Taxes**”);

² Pursuant to Section 1112 of the CARES Act, the U.S. Small Business Administration (the “SBA”) made the final two (2) regularly scheduled interest only payments due and owing under the Fifth Amendment to Promissory Note and Waiver Agreement dated March 19, 2020 (i.e. the interest only payments due on April 1, 2020 and May 1, 2020). As of the date hereof, the Lender has not received any of the monthly payments under the Sixth Amendment from the Borrower (or the SBA by way of further subsidy payments on account of the Loan). Even if the SBA remitted up to four (4) additional regularly scheduled loan payments pursuant to Section 1112 of the CARES Act, the Loan would have a substantial remaining balance due and owing from the Obligors on the Maturity Date in excess of approximately \$1,600,000 due to the fact that the Obligors did not make any of the monthly payments under the Sixth Amendment. Thus, the Obligors acknowledge the Maturity Default is not abrogated by the lack of any further subsidy payments from the SBA.

(d) The Lender's good faith determination that a material adverse change has occurred in the financial condition of the Borrower; and

(e) The Lender's good faith determination that an event has occurred which impairs the prospect of payment of the Loan.

R6. As a result of the Noticed Defaults and any other incurable events of default under the Loan Documents, on January 27, 2021, the Lender advised the Obligors (a) of the Noticed Defaults and (b) with a full reservation of rights, that unless the Obligors immediately addressed the Noticed Defaults and took such other actions as the Lender deemed necessary in its sole and absolute discretion, the Lender would be forced to exercise its rights, remedies and recourse under the Loan Documents (the "**January 27th Notice**").³

R7. Notwithstanding the January 27th Notice and the demands contained therein, the Obligors failed to address the Noticed Defaults to the Lender's satisfaction and all indebtedness due and owing under the Loan remains immediately due and payable in full, as is evidenced by, among other things, a Notice of Defaults; Demand for Assembly and Inspection of Collateral dated February 9, 2021 (the "**February 9th Notice**").⁴

R8. The Obligors have requested that the Lender temporarily forbear from exercising and enforcing certain of its rights, remedies and recourse under and with respect to the Loan Documents and applicable law, to allow additional time for the possibility of (a) the SBA to make a final determination as to whether any additional payments will be made by the SBA towards the Loan under and in connection with Section 1112 of the CARES Act, and (b) the Obligors to secure takeout financing for, among other things, all indebtedness due and owing under the Loan, to which the Lender has agreed, subject to the terms and conditions set forth herein.

WITNESSETH:

NOW, THEREFORE, in consideration of these premises, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Obligors and the Lender (collectively, the "**Parties**"), intending to be legally bound, hereby agree as follows:

1. Recitals. The Obligors represent and warrant that the recitals set forth above are true and accurate and are hereby incorporated into this Agreement by reference.

³ After the date of the January 27th Notice, the Borrower brought to the Lender's attention an additional incurable event of default under the Loan Documents resulting from, among other things, a change in the ownership of the Borrower pursuant to Joseph E. Schmitz's acquisition of a minority two percent (2%) ownership interest in the Borrower, with the other ninety-eight percent (98%) ownership interest remaining vested in Mr. Mills (the "**Ownership Change Default**"). The preceding change in ownership notwithstanding, Mr. Mills retains sole and exclusive decision making authority with respect to the operations and affairs of the Borrower as the majority Member and Executive Chairman.

⁴ The Guarantors caused substantially all of the Unpaid 2020 Virginia Property Taxes to be paid on or about March 2, 2021.

2. **Balance Owed.** The Obligors acknowledge and agree that as of March 26, 2021, the total amount due and owing under the Loan is \$5,102,890.62, consisting of an unpaid principal balance in the amount of \$4,650,000.00, accrued and unpaid interest in the amount of \$213,609.37, and late fees in the amount of \$239,281.25⁵, plus the “Lender’s Expenses” (hereinafter defined). The Obligors also acknowledge and agree that the Obligors are obligated to reimburse the Lender for all actual costs, expenses and attorneys’ fees which the Lender has incurred and may hereafter incur as a result of and in connection with (a) the default(s) under the Loan Documents, (b) protecting and enforcing the Lender’s rights under this Agreement and the Loan Documents, and (c) preparing, negotiating and consummating this Agreement and any other documents called for herein or contemplated hereby (collectively, the “Lender’s Expenses”). All such Lender’s Expenses shall be the sole and absolute responsibility of the Obligors, so that this entire matter shall be totally cost free to the Lender. All indebtedness due and owing under the Loan, including, without limitation, principal, accrued and unpaid interest, late fees, and other fees, costs and expenses (including the Lender’s Expenses), shall hereinafter be collectively referred to as, the “Indebtedness”.

3. **Forbearance.** The Lender agrees, subject to the terms and conditions set forth herein, to forbear from enforcing its rights and remedies under the Loan Documents and applicable law from the period commencing on the Effective Date and continuing to and until the earlier of (a) the occurrence of an “Event of Default” (hereinafter defined) or (b) May 30, 2021 (such earlier date being hereinafter referred to as, the “Forbearance Term Expiration Date”). Upon the Forbearance Term Expiration Date, the Lender’s agreement to forbear as set forth herein shall automatically terminate, without notice or demand, at which point the Lender may immediately thereafter proceed with enforcement of its various rights and remedies under and with respect to the Loan Documents and applicable law including, without limitation, confessing judgment against the Borrower and the Guarantors (or any of them), foreclosing on all or any portion of the Real Property and/or liquidating the Personal Property. Notwithstanding the foregoing, the Lender shall not be required to forbear from taking any action deemed reasonably necessary to protect and maintain its rights and interests in and to the Collateral pursuant to the terms and conditions set

⁵ Pursuant to the terms of the Note, if a payment on the Note is more than ten (10) days late, the Lender may charge the Borrower a late fee of up to five percent (5.0%) of the unpaid portion of the regularly scheduled payment. The Borrower failed to remit each payment due and owing under the Sixth Amendment to Note within ten (10) days of each payments corresponding due date (including the regularly scheduled payment due at maturity of the Loan), and as a result, the Lender assessed the following late fees:

Payment Due Date	Payment Amount	5% Late Fee Assessed
June 1, 2020	\$786,528.12	\$39,326.41
July 1, 2020	\$795,343.75	\$39,767.19
August 1, 2020	\$796,021.88	\$39,801.09
September 1, 2020	\$796,021.87	\$39,801.09
October 1, 2020,	\$795,343.75	\$39,767.19
November 1, 2020	\$796,021.88	\$39,801.09
December 1, 2020	\$20,343.75	\$1,017.19
TOTAL:		\$239,281.25

forth in the Loan Documents and/or from taking such other actions as are permitted by this Agreement in order to facilitate the terms hereof.

4. Forbearance Payments. The Obligors shall make or cause to be made the following payments to the Lender:

a. Simultaneously with the execution of this Agreement, but in any event not later than March 31, 2021, the Obligors shall deliver or cause to be delivered to the Lender, in immediately available funds, a payment in the amount of \$1,611,709.38 (the “**Forbearance Payment**”). The Forbearance Payment shall be applied towards Indebtedness in accordance with the terms of the Loan Documents.

b. On or before the Forbearance Term Expiration Date, the Obligors shall deliver to the Lender, in immediately available funds, a payment in an amount sufficient to satisfy all Indebtedness due and owing under the Loan Documents. For the avoidance of doubt, the Indebtedness due and owing under the Loan Documents shall be reduced by any further Section 1112 subsidy payments remitted by the SBA on account of the Loan and received by the Lender prior to the Forbearance Term Expiration Date (if any); provided however, that the Obligors’ obligation to satisfy all Indebtedness due and owing under the Loan on or before the Forbearance Term Expiration Date shall not be contingent upon the Lender receiving any one or more subsidy payments from the SBA and shall remain the absolute and unconditional obligation of the Obligors.

5. Source of the Forbearance Payment. The Obligors represent and warrant to the Lender that the Obligors do not have the ability to make the Forbearance Payment without financing. As a result thereof, the Lender is willing to increase the “Creditor Claim Cap” under that certain Intercreditor Agreement, dated May 17, 2019, by and between Waygar Capital, Inc., as agent for Ninepoint Canadian Lender Debt Master Fund L.P. (“**Waygar**”) and the Lender (the “**Intercreditor Agreement**”) by Ten Million Canadian Dollars (\$10,000,000), subject to the execution of an amendment to the Intercreditor Agreement by the Lender and Waygar, which shall be in such form and contain such content as is acceptable to the Lender in its sole and absolute discretion.

6. Conditional Waiver of Certain Late Fees. In the event the Obligors satisfy all Indebtedness due and owing under the Loan Documents on or before the Forbearance Term Expiration Date, the Lender shall waive the repayment of the late fees assessed under the Loan Documents under and in connection with the payments originally due and owing on June 1, 2020, July 1, 2020, August 1, 2020 and September 1, 2020 in the aggregate amount of \$158,698.78.

7. Interest. Interest shall continue to accrue on the unpaid principal sum due and owing under the Loan Documents at the applicable rate set forth in the Note.

8. Conditions Precedent. The Lender’s agreement hereunder shall not take effect unless and until each of the following conditions are satisfied by no later than March 31, 2021, in the Lender’s sole and absolute discretion:

a. This Agreement shall be duly executed by the Obligors, and the Obligors shall deliver a fully executed copy of the same to the Lender via electronic mail and shall send to the Lender via overnight delivery an original fully executed Agreement for the Lender's records;

b. The Lender shall have received a fully executed commitment letter or term sheet, or other similar documentation reasonably satisfactory to the Lender, evidencing a third-party lender's commitment to provide financing by no later than May 30, 2021 in an amount sufficient to pay, among other things, the unpaid Indebtedness due and owing under the Loan Documents in full;

c. The Lender shall have received copies of all financial information of the Obligors provided to Waygar or its agents and/or affiliates in connection with the proposed takeout financing of the Indebtedness with the sole exception of any such information protected by the attorney-client privilege.

9. Takeout Financing. The Obligors shall use best faith efforts to refinance the Loan or otherwise satisfy the Indebtedness due and owing under the Loan Documents in full before the Forbearance Term Expiration Date. On April 30, 2021, the Obligors shall provide the Lender with a written summary setting forth the status of the Obligors' efforts to satisfy the Indebtedness due and owing under the Loan Documents through obtaining financing from Waygar and such other means undertaken by the Obligors, together with all correspondence, documentation and information relating to the same (to the extent not previously furnished by the Obligors to the Lender). The Obligors' obligations under this Agreement, including, but not limited to, the delivery of the payments called for under Section 4 hereof, shall not be conditioned in any way on the Obligors' ability to obtain refinancing.

10. Acknowledgments, Representations and Warranties. In order to induce the Lender to enter into this Agreement, each of the Obligors hereby acknowledges, represents, warrants and agrees as follows:

a. Default. The Obligors are presently in default on their respective obligations to the Lender under the Loan Documents, have no right to cure the same, and but for the Lender's agreement to forbear as set forth herein, the Lender would be immediately entitled to proceed with enforcement of its rights, remedies and recourse under the Loan Documents and applicable law.

b. No Defenses; No Claims. The Loan Documents are the valid and binding obligations of the Obligors, to which the Obligors have no defenses or counterclaims. The Obligors have no causes of action, claims, demands or liabilities of any kind, whatsoever in law or equity, against the Lender, including but not limited to those arising from or related to the Loan, the Loan Documents and/or all enforcement actions taken in connection therewith. The January 27th Notice and the February 9th Notice were each provided to the Obligors in accordance with the terms of the Loan Documents.

c. No Waiver. The Lender is not waiving any rights or remedies with respect to the Loan Documents (or the defaults thereunder) or applicable law.

d. Power and Authority. Each of the Obligors have full power and authority to enter into this Agreement and to incur and perform all obligations and covenants contained

herein. The entry into this Agreement has been validly and effectively approved by the members, managers, directors, officers and/or shareholders of the Borrower and the Mortgagor as may be required under their respective organizational documents and applicable law.

e. Effect of Loan Documents. Except as expressly set forth in this Agreement, each of the Loan Documents continues in full force and effect notwithstanding the execution and delivery of this Agreement. The Obligors hereby reissue, ratify and confirm the enforceability and validity of the Loan Documents and agree that each of the Loan Documents constitutes the legal, valid and binding obligation of the Obligors, enforceable in accordance with their respective terms, except as expressly modified by this Agreement. In addition, the Obligors acknowledge and agree that neither the execution and delivery of this Agreement nor any of the terms, provisions, covenants or agreements contained in this Agreement shall in any manner release, impair, lessen, modify, waive or otherwise affect the liability and obligations of the Obligors under the terms of the Loan Documents, except as expressly set forth herein.

f. Corporate Status. The Borrower and the Mortgagor are duly organized, validly existing, and their respective operations and affairs have been effectively and validly commenced. As of the Effective Date, the Borrower and the Mortgagor are in good standing under the laws of their respective jurisdictions of organization and such other jurisdictions as are required for the Borrower and the Mortgagor to conduct the business in which they are respectively engaged.

g. Accuracy of Financial Statements. The financial statements and other records provided by the Obligors to the Lender in connection with the Loan are true, accurate and complete.

h. Assurance of Representations, etc. All understandings, representations, warranties and recitals contained or expressed in this Agreement and the Loan Documents are true, accurate, complete and correct in all material respects and no such understanding, representation, warranty or recital fails or omits to state or otherwise disclose any material fact or information necessary to prevent such understanding, representation, warranty or recital from being misleading. The Obligors acknowledge and agree that the Lender has been induced to enter into this Agreement based upon the Lender's justifiable reliance on the truth, accuracy and completeness of all understandings, representations, warranties and recitals contained in this Agreement and the Loan Documents.

i. Existing Waygar Financing. The Borrower and the other obligors under the "Creditor Loan" (as defined in the Intercreditor Agreement) are paying as agreed under such credit facility.

j. Understanding of Agreement. **The Obligors have read this Agreement, understand its contents (including, but not limited to, the confession of judgment provision under Section 15(c) and the jury waiver under Section 31) and have sought or been given the opportunity to seek the advice of counsel before executing and delivering this Agreement.**

11. Reaffirmation of Loan Documents. The Obligors acknowledge their respective obligations under the Loan Documents and agree that their respective obligations shall extend to

the terms and conditions set forth in this Agreement. The Obligors' obligations under this Agreement shall be in addition to any obligations of the Obligors under the Loan Documents and, where conflicting or inconsistent provisions or obligations exist, the Loan Documents and this Agreement shall be read together, where possible, to provide the broadest and most encompassing obligations on the Obligors, and shall be construed, interpreted and resolved so as to benefit the Lender.

12. General Covenants and Agreements. To induce the Lender to forbear as set forth herein, the Obligors jointly and severally covenant and agree to do as follows (said covenants and agreements being in addition to, and not in lieu of, any covenants or agreements contained elsewhere in this Agreement or in the Loan Documents):

a. Notice of Existence of Default. The Obligors shall promptly advise the Lender of the occurrence of an event that constitutes or after the passage of time could constitute an Event of Default.

b. Notice of Change in Financial Condition. The Obligors shall promptly advise the Lender of any material adverse change in the financial condition or operations of any of the Obligors including, but not limited to, notice of any action or prospective claim or litigation, including tax deficiencies, which may be asserted against any of the Obligors or the Collateral, and any prospective condemnation, change of zoning, or other action affecting the Collateral.

c. Due Diligence; Appraisals; Documents and Information. Until all Indebtedness due and owing under the Loan Documents has been satisfied, the Lender shall be entitled to conduct such due diligence with respect to the Obligors and the Collateral as the Lender, in its sole and absolute discretion, deems necessary, including, but not limited to, obtaining UCC, judgment and tax lien reports for the Obligors and the Real Property, obtaining appraisals with respect to the Real Property, and such other due diligence with respect to the Collateral and the Obligors when and as the Lender deems appropriate. The Obligors shall use best faith efforts to assist and cooperate with the Lender in obtaining or conducting any of the due diligence contemplated herein, and further agree that any costs associated with such due diligence shall be included within the definition of "Lender's Expenses" (as that term is defined in Section 2 of this Agreement) and shall be paid for by the Obligors immediately upon the Lender's demand, but in any event, on or before the Forbearance Term Expiration Date. The Obligors shall promptly provide to the Lender upon the Lender's written request copies of all documents and information relating to the Obligors' performance under this Agreement and such other documents and information as the Lender may request in its reasonable discretion.

d. Insurance. The Obligors shall procure and maintain all insurance coverages required by the Loan Documents, and the Lender shall be named as a loss payee/additional insured on all such policies of insurance. Upon telephonic or written notice from the Lender, the Obligors shall provide the Lender with evidence of insurance coverage including, without limitation, certified copies of the policies and required endorsements, invoices and evidence of payment of same.

e. Maintenance of the Collateral. The Obligors shall, at their own cost and expense, take all actions as reasonably necessary to maintain the Collateral in good and safe condition.

f. Payment of Taxes, Assessments and Charges. The Obligors covenant and agree to keep the Collateral free and clear from any judgments or liens (other than liens in favor of the Lender) and shall promptly pay all taxes, assessments and charges thereon in accordance with the terms of the Loan Documents.

g. Covenant Not to Encumber Property. The Obligors agree that no further encumbrances, including but not limited to any mortgage, security agreement, financing statement, deed of trust, or other lien (including mechanics' liens), shall be placed against any of their assets including, without limitation, the Collateral (other than in favor of the Lender).

h. SBA Communications, Information and Other Documentation. The Obligors shall provide the Lender with copies of all communications, information and other documentation provided by the Obligors to the SBA or received by the Obligors from the SBA under and in connection with the Loan simultaneously with the Obligors provision of the same to, and/or receipt of the same from, the SBA.

i. Life Insurance. The Obligors shall use good faith efforts to obtain as soon as possible, but in any event no later than thirty (30) days from the Effective Date, life insurance on each of the Guarantors satisfactory to the Lender and for the Lender's benefit in the amount (or to the extent satisfactory to the Lender, in the aggregate amount) of Five Million Dollars (\$5,000,000) each.

13. Reaffirmation of Liens Against Collateral. The Obligors represent, warrant and confirm the Lender holds a valid, properly perfected and indefeasible (a) first priority deed of trust lien in, to and against the Virginia Property, (b) first priority security interest in, to and against the Personal Property (with the sole exception of the "Creditor's Priority Collateral" under the Intercreditor Agreement), and (c) second priority mortgage lien in, to and against the Florida Property.

14. Events of Default. The occurrence of any of the following shall constitute events of default under this Agreement and additional events of default under the Loan Documents (each, an "**Event of Default**" and collectively, the "**Events of Default**"):

a. The failure of any of the Obligors to make any of the payments which they are required to make pursuant to this Agreement, including, without limitation, the failure to make a payment in full satisfaction of the Indebtedness on or before the Forbearance Term Expiration Date, time being of the essence.

b. The failure of any of the Obligors to do anything they are required to do under this Agreement or any of the Loan Documents (other than the Noticed Defaults and the Ownership Change Default).

c. Any of the Obligors doing anything they are prohibited from doing under this Agreement or any of the Loan Documents.

d. Any violation or breach by any of the Obligors of any representation, covenant, warranty or obligation contained in this Agreement or any of the Loan Documents (other than the Noticed Defaults and the Ownership Change Default).

e. Any of the Obligors providing the Lender with any information that is not true, accurate and complete, to the best of their knowledge, information and belief.

f. The occurrence of an event of default under the terms of that certain Forbearance Agreement, dated of even date herewith, by and between the Lender and the Obligors under and in connection with that certain \$4,000,000 commercial term loan from the Lender to the Mortgagor.

g. The commencement of a voluntary or involuntary federal bankruptcy proceeding, state insolvency proceeding or other similar type of proceeding by or against any of the Obligors.

h. The sale, dissolution, merger, consolidation, liquidation or reorganization of the Borrower or the Mortgagor.

i. The uninsured death of either of the Guarantors, or the insured death of either of the Guarantors that does not result in the immediate satisfaction of all Indebtedness due and owing under the Loan.

j. The entry of one or more final judgments, decrees or orders against any of the Obligors.

k. Any event shall occur which the Lender reasonably deems to impair the Collateral, including, without limitation, the value thereof, or the prospect of repayment of the Loan.

15. Preservation of Defaults; Forbearance; Rights and Remedies. Neither any failure nor any delay on the part of the Lender in exercising any right, power or remedy under this Agreement, the Loan Documents or under applicable law shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All of the Lender's rights, powers and remedies may be exercised from time to time and as often as may be deemed expedient. No waiver or forbearance by the Lender as to the Obligors shall waive or release any rights or claims which the Lender may now have or hereafter can have against any other person, firm or individual or which the Lender may have against the Obligors with respect to any other obligations of the Obligors (or any of them) to the Lender. The Lender reserves all rights. Notwithstanding anything contained herein to the contrary, nothing contained in this Agreement shall be construed as creating any obligation for the Lender to take any action for the benefit of the Obligors or as creating any fiduciary or trust relationships between the Lender, on the one hand, and any of the Obligors, on the other hand. Nothing contained in this Agreement shall be deemed as the Lender's agreement to accept anything less than the Indebtedness and all other amounts due to the Lender under the Loan Documents. If an Event of Default hereafter occurs, all Indebtedness shall be immediately due and payable in full without notice or demand and the Lender shall have the following rights and remedies, which are in addition to any other rights and remedies available to the Lender under the Loan Documents and/or applicable law:

a. Legal Proceedings. The Lender may proceed to enforce this Agreement and the Loan Documents, or the rights of the Lender hereunder and thereunder, by any action or actions at law or in equity or by any other appropriate proceedings, including without limitation, an action for the specific performance of any of the covenants contained in this Agreement or the Loan Documents, or for an injunction against the violation of any of the covenants or agreements in this

Agreement or the Loan Documents or in aid of the exercise or execution of any right, remedy or power granted in this Agreement or the Loan Documents or by law, or for the purpose of enforcing payment of the Indebtedness due and owing under this Agreement and the Loan Documents.

b. Set-off. To set-off and appropriate and apply any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, filed or contingent, matured or unmatured, at any time held or owing by the Lender to or for the credit or the account of the Obligors, or any part thereof in such amounts as the Lender may elect, against and on account of the liabilities of the Obligors to the Lender under the Loan Documents, and claims of every nature and description arising hereunder, or under any of the Loan Documents, or otherwise, as the Lender may elect, whether or not the Lender has made any demand for payment and although such liabilities and such claims may be contingent or unmatured.

c. **CONFESSION OF JUDGMENT. THE BORROWER AND THE GUARANTORS EACH IRREVOCABLY AUTHORIZE AND EMPOWER ANY ATTORNEY ADMITTED TO PRACTICE BEFORE ANY COURT OF RECORD IN THE UNITED STATES TO APPEAR ON BEHALF OF THE BORROWER AND THE GUARANTORS IN ANY SUCH COURT, IN ONE OR MORE PROCEEDINGS, OR BEFORE ANY CLERK THEREOF, AND TO CONFESS JUDGMENT AGAINST THE BORROWER AND THE GUARANTORS (OR ANY OF THEM), WITHOUT PRIOR NOTICE OR OPPORTUNITY FOR PRIOR HEARING, IN FAVOR OF THE LENDER, FOR THE FULL AMOUNTS THEN OWED TO THE LENDER UNDER THIS AGREEMENT AND THE LOAN DOCUMENTS, PLUS AN ATTORNEYS' FEE EQUAL TO FIFTEEN PERCENT (15%) OF SAID AMOUNTS, PLUS COURT COSTS. IN ADDITION TO ALL OTHER COURTS WHERE JURISDICTION AND VENUE WOULD BE PROPER, THE BORROWER AND THE GUARANTORS CONSENT TO THE JURISDICTION AND VENUE OF THE CIRCUIT COURT OF THE CITY OF RICHMOND, VIRGINIA OR THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA, FOR THE ENTRY OF SAID JUDGMENT(S). THE BORROWER AND THE GUARANTORS EACH HEREBY IRREVOCABLY AUTHORIZE AND EMPOWER DOUGLAS D. CALLAWAY AND/OR MICHAEL E. WALSH AND/OR LYNN HARRISON, AND/OR FRANK S. MERRITT, AND/OR INGA D. GREEN AND/OR SCOTT W. FOLEY, ESQUIRE AND/OR ANY OFFICER OF THE LENDER, ANY OF WHOM MAY ACT INDIVIDUALLY OR AS PART OF A GROUP OR COLLECTIVELY, AS THE BORROWER'S AND THE GUARANTORS' ATTORNEY-IN-FACT TO APPEAR IN THE CIRCUIT COURT OF THE CITY OF RICHMOND, VIRGINIA OR IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA AND CONFESS JUDGMENT AGAINST THE BORROWER AND THE GUARANTORS (OR ANY OF THEM). IF A COPY OF THIS AGREEMENT, VERIFIED BY AN AFFIDAVIT, SHALL HAVE BEEN FILED IN THE PROCEEDING, IT WILL NOT BE NECESSARY TO FILE THE ORIGINAL AS A WARRANT OF ATTORNEY. THE LENDER SHALL BE AUTHORIZED TO APPOINT A SUBSTITUTE ATTORNEY-IN-FACT PURSUANT TO SECTION 8.01-435 OF THE VIRGINIA CODE. THE BORROWER AND THE GUARANTORS EACH WAIVE AND RELEASE ALL ERRORS, DEFECTS, AND IMPERFECTIONS WHATSOEVER IN THE ENTRY OF**

SAID JUDGMENT(S) AND HEREBY AGREE THAT NO WRIT OF ERROR OR OBJECTION OR MOTION OR RULE TO OPEN OR STRIKE SAID JUDGMENT(S) OR APPEAL SHALL BE MADE OR TAKEN THERETO. THE BORROWER AND THE GUARANTORS EACH ALSO WAIVE ANY RIGHT TO NOTICE OR A HEARING PRIOR TO THE ENTRY OF SAID JUDGMENT(S) AND FURTHER WAIVE THE BENEFIT OF ANY AND EVERY STATUTE, ORDINANCE, OR RULE OF COURT WHICH MAY BE LAWFULLY WAIVED CONFERRING UPON THE BORROWER AND/OR THE GUARANTORS ANY RIGHT OR PRIVILEGE OF EXEMPTION INCLUDING, BUT NOT LIMITED TO, ANY HOMESTEAD EXEMPTION, STAY OF EXECUTION, OR SUPPLEMENTARY PROCEEDINGS, OR OTHER RELIEF FROM THE ENFORCEMENT OR IMMEDIATE ENFORCEMENT OF A JUDGMENT OR RELATED PROCEEDINGS ON A JUDGMENT. THE AUTHORITY AND POWER TO APPEAR FOR AND ENTER JUDGMENT(S) AGAINST THE BORROWER AND THE GUARANTORS (OR ANY OF THEM) PURSUANT TO THE AUTHORITY GRANTED HEREIN SHALL NOT BE EXHAUSTED BY ONE OR MORE EXERCISES THEREOF, OR BY ANY IMPERFECT EXERCISE THEREOF, AND SHALL NOT BE EXTINGUISHED BY ANY JUDGMENT(S) ENTERED PURSUANT THERETO; SUCH AUTHORITY AND POWER MAY BE EXERCISED ON ONE OR MORE OCCASIONS FROM TIME TO TIME, IN THE SAME OR DIFFERENT JURISDICTIONS, AS OFTEN AS LENDER MAY DEEM NECESSARY OR ADVISABLE. THE JUDGMENT(S) ENTERED IN FAVOR OF THE LENDER AGAINST THE BORROWER AND THE GUARANTORS (OR ANY OF THEM), WHETHER BY CONFESSION OR OTHERWISE, SHALL BEAR INTEREST AT THE RATE WHICH IS THE HIGHEST RATE OF INTEREST PERMITTED UNDER THE LOAN DOCUMENTS ON THE DATE OF JUDGMENT, OR THE HIGHEST RATE OF INTEREST ALLOWABLE BY LAW, WHICHEVER IS GREATER.

d. Cumulative Remedies. Each right, power and remedy of the Lender as provided for in this Agreement and the Loan Documents, or now or hereafter existing at law or in equity or by statute or otherwise, shall be cumulative and concurrent and shall be in addition to every other such right, power or remedy, and the exercise or beginning of the exercise by the Lender of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by the Lender of any or all other such rights, powers or remedies.

e. Attorneys' Fees; Non-Merger. Should this Agreement or any Loan Document be referred to an attorney for any reason, whether or not suit has been filed or judgment has been confessed, the Obligors shall pay all of the Lender's costs, expenses and fees resulting from such referral, including, without limitation, attorneys' fees. If enforcement of this Agreement results in the Lender obtaining a money judgment against the Obligors (or any of them), said Lender's right to payment and reimbursement of attorneys' fees and costs arising after the entry of such judgment (including without limitation attorneys' fees and costs incurred to collect the judgment, foreclose on the Real Property or liquidate the Personal Property) shall not be extinguished or merged into the judgment but shall survive the judgment as a continuing claim against the Obligors and the Collateral.

16. Obligations Unconditional. The Obligors' respective obligations under this Agreement and the Loan Documents are absolute, unconditional and independent of any defense or rights of recoupment or counterclaim which any of the Obligors might have against the Lender, and the Obligors agree that all payments required under this Agreement and the Loan Documents shall be made absolutely, free of any deductions and without abatement, diminution or set-off.

17. Survival of Warranties. Except as expressly modified by this Agreement, the Obligors shall fully and faithfully satisfy and perform the terms, conditions, representations, covenants and warranties of the Loan Documents, each of which are incorporated by reference herein. All cure periods or grace periods provided to the Obligors in the Loan Documents, and all provisions in the Loan Documents that required the Lender to provide notice to the Obligors upon the occurrence of a default thereunder, are hereby deleted and shall no longer have any force or effect. Except as expressly modified by this Agreement, the Obligors acknowledge and agree that all other terms and conditions of the Loan Documents shall remain unchanged, in full force and effect and are hereby ratified and confirmed by the Obligors in all respects and shall be strictly complied with by the Obligors going forward.

18. No Novation. This Agreement shall not cause a novation of any of the obligations of the Obligors under the Loan Documents, nor shall it extinguish, terminate or impair the Obligors' respective obligations under the Loan Documents.

19. Release of the Lender and the SBA. For and in consideration of the Lender's execution of this Agreement, the Obligors, and each of their respective heirs, successors, assigns, agents and attorneys (collectively, the "**Releasing Parties**"), hereby waive, release and discharge the Lender and the SBA, and each of their respective officers, directors, shareholders, employees, agents, attorneys, successors, and assigns (collectively, the "**Released Parties**"), from any and all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, liabilities, variances, trespasses, damages, judgments, extents, executions, claims and demands, whatsoever in law or equity, whether known or unknown, which the Releasing Parties, their respective successors and assigns ever had, now have, or hereafter can, shall or may have against the Released Parties from the beginning of the world to the date of this Agreement, including but not limited to those arising from and related to the Loan, the Loan Documents and all collection and enforcement actions taken in connection therewith; provided however, that any and all rights the Borrower has to seek, recoup and/or recover subsidy payments from solely the SBA under Section 1112 of the CARES Act are expressly reserved and excepted from the foregoing release. This release shall (a) survive the termination of this Agreement; (b) retain its full force and effect as to all matters through the date of this Agreement; and (c) shall not be deemed a waiver and/or release of any right the Borrower has to seek, recoup and/or recover subsidy payments from solely the SBA under Section 1112 of the CARES Act, which shall be fully preserved and maintained in its entirety.

20. Waiver of the Automatic Stay. In the event that a bankruptcy case is hereafter filed by or against any of the Obligors, the Obligors specifically agree that the automatic stay provisions of Section 362 of the United States Bankruptcy Code applicable to any such bankruptcy case shall be immediately terminated as to the Lender and the Collateral which constitutes property of the bankruptcy estate created thereby, so that the Lender may immediately assert all of its rights and remedies under this Agreement, the Loan Documents and applicable law with respect to the

Collateral. The Obligors further agree not to contest any motion to terminate or modify the automatic stay filed by the Lender in any such bankruptcy case and to immediately execute and deliver (or cause to be executed and delivered) to the Lender and to file with the bankruptcy court such documents, pleadings and papers as are necessary for the Lender to obtain such an immediate termination of the automatic stay.

21. Time is of the Essence. TIME IS STRICTLY OF THE ESSENCE AS TO ALL OF THE OBLIGATIONS OF THE OBLIGORS HEREUNDER.

22. Tense, Gender, Defined Terms, Captions. As used herein, the plural shall refer to and include the singular, and the singular, the plural; the use of any gender shall include and refer to any other gender. All defined terms are capitalized throughout this Agreement. All captions are for the purpose of convenience only.

23. Governing Law. The laws of the Commonwealth of Virginia (excluding, however, conflict of law principles) shall govern and be applied to determine all issues relating to this Agreement and the rights and obligations of the Parties hereto, including the validity, construction, interpretation, and enforceability of this Agreement and its various provisions and the consequences and legal effect of all transactions and events which resulted in the execution of this Agreement or which occurred or were to occur as a direct or indirect result of this Agreement having been executed. The preceding notwithstanding, with respect to the procedural matters related to the perfection and enforcement of the Lender's rights and remedies under the Florida Mortgage, the laws of the State of Florida shall apply.

24. Consent to Jurisdiction; Agreement as to Venue. The Obligors consent to personal jurisdiction in the Commonwealth of Virginia in connection with any legal proceeding arising out of or related to this Agreement. The Obligors agree that venue shall be proper in any circuit court of the Commonwealth of Virginia selected by the Lender or in the United States District Court for the Eastern District of Virginia if a basis for federal jurisdiction exists and waives any right to object to the maintenance of a suit in any of the state or federal courts of the Commonwealth of Virginia on the basis of improper venue or of inconvenience of forum.

25. Notices. All notices, demands, instructions and other communications required or permitted to be given to or made upon any of the Parties shall be in writing, personally delivered or sent by postage prepaid first class certified mail, return receipt requested, or overnight courier or delivery service. All such notices shall be deemed to be given on the day such notice is received if sent by personal delivery or one (1) business day after such notice is sent by overnight courier or delivery service, or three (3) business days after such notice is sent by certified mail. Unless otherwise specified in a notice sent or delivered in accordance with the foregoing provisions of this paragraph, notices, demands, instructions and other communications in writing shall be given to or made upon the Parties at their respective addresses below:

To the Obligors
(or any of them):

c/o Joseph E. Schmitz
2941 Fairview Park Drive, Suite 350
Falls Church, Virginia 22042

With a copy to: Civis Law LLP
36 Toronto Street, Suite 850
Toronto, ON M5C 2C9
Attn: Jeffrey Kroecker

If to the Lender: Atlantic Union Bank
4109 Plank Road, 2nd Floor
Fredericksburg, Virginia 22407
Attn: Lynn S. Harrison, Senior Vice President

With a copy to: Shapiro Sher Guinot & Sandler, P.A.
250 W. Pratt Street, 20th Floor
Baltimore, Maryland 21201
Attn: Scott W. Foley, Esquire

26. Further Assurances. The Obligors agree to execute such other and further documents as the Lender may deem in its discretion to be reasonably necessary, proper or convenient, including without limitation, invoices for payment, promissory notes, loan and security agreements, deeds of trust, contracts of sale, deeds, agreements, financing statements, continuation statements, contracts and similar instruments as may from time to time be necessary, proper or convenient to perfect, confirm, establish, re-establish, continue or complete any security interest in and to the Collateral and to effectuate the agreements of the Obligors contained herein. In the event that any of the Obligors shall fail for any reason to execute, within ten (10) days of the Lender's demand, any document of the aforementioned type which the Lender requests such party to execute, the Obligors shall and hereby irrevocably and automatically appoint the Lender as such Obligor's attorney-in-fact to execute such document in such Obligor's name, place and stead and on such Obligor's behalf, and such power of attorney shall constitute a power of attorney with an interest and shall be irrevocable unless and until the subject document is fully and effectively executed.

27. Entire Agreement. This Agreement constitutes the entire agreement among the Parties regarding the subject matter hereof and may not be modified without the Lenders' prior express written consent.

28. Severability. If any provision or part of any provision of this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement and this Agreement shall be construed as if such invalid, illegal or unenforceable provision or part thereof had never been contained herein, but only to the extent of its invalidity, illegality, or unenforceability.

29. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

30. Binding Nature. This Agreement shall inure to the benefit of and be enforceable by the Lender and the Lender's successors and assigns and shall be binding and enforceable against the Obligors and the Obligors' respective successors and assigns.

31. WAIVER OF TRIAL BY JURY. THE PARTIES EACH HEREBY VOLUNTARILY AND KNOWINGLY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY ANY PARTY AGAINST THE OTHERS ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREBY OR THE LOAN DOCUMENTS. THE OBLIGORS ACKNOWLEDGE THAT THEY HAVE BEEN INFORMED BY THE LENDER THAT THE PROVISIONS OF THIS PARAGRAPH CONSTITUTE A MATERIAL INDUCEMENT UPON WHICH THE LENDER HAS RELIED, IS RELYING AND WILL RELY IN ENTERING INTO THIS AGREEMENT. THE OBLIGORS HEREBY CERTIFY THAT NO REPRESENTATIVE OR AGENT OF THE LENDER (INCLUDING ITS COUNSEL) HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE LENDER WOULD NOT, IN THE EVENT OF LITIGATION, ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL.

32. Assignability. Notwithstanding anything in the Loan Documents to the contrary, the Obligors acknowledge and agree that this Agreement, the Note and the other Loan Documents may be assigned by the Lender or any holder of the Note at any time or from time to time. The Obligors hereby grant the Lender their unlimited and unconditional consent to the disclosure and dissemination of financial records including, without limitation, loan application and account information, statements of deposits and share accounts, individual and corporate financial statements, credit references and histories, property appraisals, surveys, profit and loss statements, resumes, accounting reports, balance sheets and any other financial information provided to the Lender by the Obligors, for such purposes. The Obligors further release, acquit and forever discharge the Lender and its agents from all liability, claims, actions, or causes of action for disclosure of such financial records

33. Federal Law. When the SBA is the holder of the Note, this Agreement will be construed and enforced under federal law, including the SBA regulations. The Lender or the SBA may use state or local procedures for filing papers, recording documents, giving notice, foreclosing liens and other purposes. By using such procedures, the SBA does not waive any federal immunity from state or local control, penalty, tax or liability. As to this Agreement, the Obligors may not claim or assert any local or state law against the SBA to deny any obligation, defeat any claim of the SBA, or preempt federal law.

[signatures and acknowledgements contained on the following page]

IN WITNESS WHEREOF, the undersigned have caused this Forbearance Agreement to be duly executed under seal on its behalf, on the day and year first hereinabove set forth.

OBLIGORS:

PACEM SOLUTION INTERNATIONAL LLC, a
Virginia limited liability company

By:  (SEAL)
CORY L. MILLS, Member and Executive
Chairman

Acknowledgement

STATE/COMMONWEALTH OF Virginia, CITY/COUNTY OF Parfax, TO WIT:

I HEREBY CERTIFY, that on this 31 day of March, 2021, before me, the subscriber, a Notary Public of the jurisdiction aforesaid, personally appeared Cory L. Mills, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged himself to be the Member and Executive Chairman of PACEM SOLUTION INTERNATIONAL LLC, and who further acknowledged that he, in such capacity and being authorized so to do, executed the forgoing instrument for the purposes therein contained.

My Commission expires: 7783423

Noorah Hayes
Notary Public

[signatures continued on following page]



PACEM ESTATE HOLDINGS LLC, a Florida limited liability company

By: [REDACTED] (SEAL)
CORY L. MILLS, Sole Member

Acknowledgement

STATE/Commonwealth of Virginia CITY/COUNTY OF Fairfax, TO WIT:

I HEREBY CERTIFY, that on this _____ day of March, 2021, before me, the subscriber, a Notary Public of the jurisdiction aforesaid, personally appeared Cory L. Mills, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged himself to be the Sole Member of PACEM ESTATE HOLDINGS LLC, and who further acknowledged that he, in such capacity and being authorized so to do, executed the forgoing instrument for the purposes therein contained.

My Commission expires: 06/30, 2022

Noorah Hayes
Notary Public

[signatures continued on following page]



 (SEAL)
CORY L. MILLS, Individually

Acknowledgement

STATE/Commonwealth of Virginia, CITY/COUNTY OF Patriot, TO WIT:

I HEREBY CERTIFY, that on this 31 day of March, 2021, before me, the subscriber, a Notary Public of the jurisdiction aforesaid, personally appeared CORY L. MILLS, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and who acknowledged that he executed the forgoing instrument for the purposes therein contained.

My Commission expires: June 30, 2022



Noorah Hayes
Notary Public

 (SEAL)
RANA Z. AL SAADI, Individually

Acknowledgement

STATE/Commonwealth of Virginia, CITY/COUNTY OF Patriot, TO WIT:

I HEREBY CERTIFY, that on this 31 day of March, 2021, before me, the subscriber, a Notary Public of the jurisdiction aforesaid, personally appeared RANA Z. AL SAADI, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and who acknowledged that she executed the forgoing instrument for the purposes therein contained.

My Commission expires: June 30, 2022



Noorah Hayes
Notary Public

[signatures continued on following page]

LENDER:

ATLANTIC UNION BANK

By: _____ (SEAL)
LYNN S. HARRISON, Senior Vice President

Acknowledgement

STATE/Commonwealth of _____, City/County of _____, TO WIT:

I HEREBY CERTIFY, that on this _____ day of March, 2021, before me, the subscriber, a Notary Public of the jurisdiction aforesaid, personally appeared LYNN S. HARRISON, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged herself to be a Senior Vice President of ATLANTIC UNION BANK, and who further acknowledged that she, in such capacity and being authorized so to do, executed the forgoing instrument for the purposes therein contained.

My Commission expires: _____

Notary Public

From: [Theobald, Kari A.](#)
To: [Scott W. Foley](#); [Lynn Harrison](#)
Bcc: [Hawkins, Sarah J.](#); [Carrington, Nique M.](#)
Subject: SBA Loan 2843337007
Date: Wednesday, May 26, 2021 8:11:00 PM
Attachments: [image001.png](#)

Dear Mr. Foley and Ms. Harrison,

Please excuse the error in the below email calling the document Amendment 6, it was Credit Memo 6.

As described in the email below, documents are on request, please add to the request the inclusion of Credit Memo's 1-5.

Thank you,

Kari Theobald

From: Theobald, Kari A.
Sent: Wednesday, May 26, 2021 6:41 PM
To: Scott W. Foley <swf@shapirosher.com>; 'Lynn Harrison' <Lynn.Harrison@AtlanticUnionBank.com>
Subject: SBA Loan 2843337007

Good afternoon Ms. Harrison and Mr. Foley,

Thank you for presenting the documents through the review of the loan subsidy payment 1112. In the overview of Amendment 6, the Demand Letter and Liquidation Plan, please send a copy of the Transcript of Account.

Also, please include a copy of 3rd party financial documents (e.g bank statement, tax return, accountant P&L) utilized for the processing of the loan and support of contract earnings. If the contract income was validated through other means, please describe.

Last, we request a follow up to the following questions:

1. In the file, ADF PACEM A5943 Condition of Contract Signed, the document does not contain Attachment B. Attachment B details the amount under contract. Did the borrower provide Attachment B?
2. The borrower demonstrates a legal notice from Oracle America Inc. on July 26, 2019 addressed to Joseph E. Schmitz. In review of Amendment 6, it does not describe the notice, please advise of the conditions.

Thank you,

Kari Theobald

Supervisory Loan Officer


Little Rock Commercial Loan Servicing Center

U.S. Small Business Administration

(501) 324-5871

kari.theobald@sba.gov

Title: SBA logo - Description: SBA-Hor-2

A rectangular box containing a placeholder for an image, likely the SBA logo mentioned in the title.

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DISCLAIMER:

The information being provided above is derived solely from Agency records that are submitted by the Agency's participant lenders engaged in making SBA loans. This information is collected by the lenders from SBA loan applicants who provide it on a voluntary basis. It is then forwarded by the lenders to SBA. Since the information is provided by the loan applicants on a voluntary basis, it is not necessarily inclusive of all SBA borrowers, nor can its accuracy be verified by the Agency. Accordingly, SBA cannot make any representation as to the completeness or accuracy of the information provided.

From: [Lynn Harrison](#)
To: [Theobald, Kari A.](#)
Cc: [Scott W. Foley \(swf@shapirosher.com\)](#)
Subject: RE: SBA 2843337007 PACEM Form 1149
Date: Monday, June 14, 2021 3:44:48 PM
Attachments: [image001.png](#)
[SBA Form 1149-508 PACEM transcript.lsh061421.pdf](#)

CAUTION - The sender of this message is external to the SBA network. Please use care when clicking on links and responding with sensitive information. Send suspicious email to spam@sba.gov.

Kari,

Attached please find the Transcript of Account for the loan to Pacem Solution International LLC for which the SBA provided a loan guaranty under one of its programs. This loan has been repaid in full. Please note the following:

- I redacted the Bank's loan number
- It includes my certified-digital signature. If you need a scan of a "wet" signature, please let me know

I am providing this Transcript per your request. However, since the loan was repaid I will not be submitting the Transcript to other areas of the SBA, as would be the case if a 10-Tab package were submitted.

Thank you for your time and assistance on this account.

Lynn

Lynn S. Harrison, Senior Vice President
Manager of Special Assets

T: 540.548.7292 Ext. 3003 | C: 804-517-2095

From: Theobald, Kari A. <Kari.Theobald@sba.gov>
Sent: Wednesday, June 2, 2021 8:03 PM
To: Scott W. Foley <swf@shapirosher.com>
Cc: Lynn Harrison <Lynn.Harrison@AtlanticUnionBank.com>
Subject: SBA Loan 2843337007 PACEM

Good Afternoon Mr. Foley,

Thank you for the update regarding the PACEM loan.

Please forward a signed and date Transcript of Account and confirm the loan is Paid in Full.

The SBA appreciates both, you and Ms. Harrison's diligence and assertiveness in working with us.

Thank you,
Kari Theobald
Supervisory Loan Officer
Little Rock Commercial Loan Servicing Center
U.S. Small Business Administration
(501) 324-5871
kari.theobald@sba.gov

Title: SBA logo - Description: SBA-Hor-2



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OMB NO: 3245-0132

Expiration Date: 05/31/2024



U.S. Small Business Administration Lender's Transcript of Account

Name of Borrower		Pacem Solution International LLC		Loan Number		SBA #28433370-07; AUB xxxxxx5275					
Name of Lender		Atlantic Union Bank F/K/A Access National Bank		Amount of Loan		\$5,000,000		Int. Day Basis		Act/360 currently	
Repayment Terms as Stated in the Note				The loan originated in August 2018 and was for an original term of 12 months with payments of interest only. The loan was extended or modified multiple times with interest only payments. The 6th Amendment (final) of the Note required 6 even principal and interest payments. That maturity date of that amendment was 12/01/20.							
Approved Deferment Periods:				SBA made 2 payments under section 1112 CARES Act on 06/01/20 for the April and May interest payments. Note: Borrower paid fee of \$2,500 on 03/23/20							
Default Date (NextPayment Due Date):				The loan was placed in Liquidation Status in February 2021. The loan matured in December 2020. The borrower made principal and interest payment in April 2021 with the execution of a forbearance agreement. The loan was repaid 05/28/21. The loan was repaid including principal, interest and related fees and expenses.							
Date	Amount Disbursed	Amount Repaid	Deferment	Application of Payment		Int. Rate	Interest Rate		Principal Balance		
				Principal	Interest		From	To			
8/10/2018	\$ 5,000,000					7.00%			\$ 5,000,000		
9/10/2018		\$ 30,138.89			\$ 30,138.89	7.00%	8/10/2018	9/10/2018	\$ 5,000,000		
10/10/2018		\$ 28,514.07			\$ 28,514.07	7.25%	9/11/2018	10/10/2018	\$ 5,000,000		
11/13/2018		\$ 31,095.90			\$ 31,095.90	7.25%	10/11/2018	11/10/2018	\$ 5,000,000		
12/13/2018		\$ 29,794.52			\$ 29,794.52	7.25%	11/11/2018	12/10/2018	\$ 5,000,000		
1/10/2019		\$ 30,787.67			\$ 30,787.67	7.50%	12/11/2018	1/10/2019	\$ 5,000,000		
2/11/2019		\$ 32,157.54			\$ 32,157.54	7.50%	1/11/2019	2/10/2019	\$ 5,000,000		
3/21/2019		\$ 19,520.54			\$ 19,520.54	7.50%	2/11/2019	3/1/2019	\$ 5,000,000		
4/4/2019		\$ 30,342.47			\$ 30,342.47	7.50%	3/2/2019	4/1/2019	\$ 5,000,000		
5/1/2019		\$ 32,328.77			\$ 32,328.77	7.50%	4/2/2019	5/1/2019	\$ 5,000,000		
6/1/2019		\$ 28,573.05			\$ 28,573.05	7.50%	5/2/2019	6/1/2019	\$ 5,000,000		
8/2/2019		\$ 46,944.44			\$ 46,944.44	7.25%	6/2/2019	7/15/2019	\$ 5,000,000		
8/2/2019		\$ 250,000		\$ 250,000		7.25%			\$ 4,750,000		
8/28/2019		\$ 31,151.04			\$ 31,151.04	7.25%	7/16/2019	8/15/2019	\$ 4,750,000		
9/18/2019		\$ 29,654.52			\$ 29,654.52	7.25%	8/16/2019	9/15/2019	\$ 4,750,000		
10/16/2019		\$ 27,840.27			\$ 27,840.27	7.00%	9/16/2019	10/15/2019	\$ 4,750,000		
12/10/2019		\$ 28,137.16			\$ 28,137.16	6.75%	10/16/2019	11/15/2019	\$ 4,750,000		
12/10/2019		\$ 100,000.00		\$ 100,000.00		6.75%			\$ 4,650,000		
12/26/2019		\$ 26,625.00			\$ 26,625.00	6.75%	11/16/2019	12/15/2019	\$ 4,650,000		
1/31/2020		\$ 27,028.12			\$ 27,028.12	6.75%	12/16/2019	1/15/2020	\$ 4,650,000		
3/26/2020		\$ 28,917.19			\$ 28,917.19	5.25%	1/16/2020	2/15/2020	\$ 4,650,000		
4/1/2020		\$ 28,917.19			\$ 28,917.19	5.25%	2/16/2020	3/15/2020	\$ 4,650,000		
6/1/2020		\$ 35,262.50			\$ 35,262.50	5.25%	3/16/2020	5/15/2020	\$ 4,650,000		
4/1/2021		\$ 61,699.38			\$ 61,699.38	5.25%	5/16/2020	6/15/2020	\$ 4,650,000		
4/1/2021		\$ 1,550,000.00		\$ 1,550,000.00		5.25%			\$ 3,100,000		
5/28/2021		\$ 3,470,501.70		\$ 3,100,000.00	\$ 181,737.48	5.25%			\$ -		
I Certify This to be a True Copy of Transcript of Account Lynn S. Harrison Digitally signed by Lynn S. Harrison Date: 2021.06.14 11:04:37 -04'00'				Senior Vice President				Date		6/14/2021	
Signature				Title							

SBA Form 1149 (5-21) REF SOP 50-57 Previous Editions Obsolete

See Reverse Side for Instructions

(This form is a necessary part of the SBA GUARANTY PURCHASE package.)

From: [Gondelman, Richard F. \(Temp\)](#)
To: [Hou, Ashley H.](#); [Embrey, Arlene M.](#)
Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust
Date: Thursday, April 7, 2022 5:37:33 PM
Attachments: [image004.png](#)
[image009.png](#)
[RE 1502 - 1112 Payment Loan 2843337007 Union Bank Trust.msg](#)
[RE 1502 - 1112 Payment Loan 2843337007 Union Bank Trust.msg](#)
[RE 1502 - 1112 Payment Loan 2843337007 Union Bank Trust.msg](#)

Ashley and Arlene, I'm attaching a few emails with the exchanges I had with Rosemarie, Cailyn and Adrienne Grierson about the section 1112 payments for this loan. Adrienne's email (the third attached email above) includes SBA's response to the ombudsman's inquiry. The ombudsman had received a complaint from pacem about not getting 4 of the 6 payments, and SBA's response to the ombudsman states:

Mr. Schmitz states that SBA did not make four of the six monthly subsidy payments to the Borrower's lender to credit the outstanding loan. Agency records indicate that subsidy payments were made for April 2020 and May of 2020. However, once the Borrower was reported to be in default, the Borrower ceased to be in regular servicing status as required under the CARES Act. As a result, the Borrower was ineligible for the remaining four subsidy payments that would have covered June through September of 2020.

Given our response to the ombudsman, I think that you can tell the borrower that it was ineligible for the four remaining payments, if that's what the borrower is asking about. We did make the April and May 2020 payments and the only other issue was whether SBA should require the lender to return those payments. That issue is discussed in the first and second attached emails above. [REDACTED]

ACP, DPP

From: Gondelman, Richard F.
Sent: Tuesday, December 21, 2021 4:48 PM
To: Grierson, Adrienne D. <adrienne.grierson@sba.gov>
Cc: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Thanks Adrienne.

The response to the Ombudsman states that "Agency records indicate that subsidy payments were made for April 2020 and May of 2020. However, once the Borrower was reported to be in default, the Borrower ceased to be in regular servicing status as required under the CARES Act. As a result, the Borrower was ineligible for the remaining four subsidy payments that would have covered June through September of 2020."

Cailyn and Rosemarie, when we discussed this a year ago, ACP, DPP

[REDACTED]

From: Grierson, Adrienne D. <adrienne.grierson@sba.gov>
Sent: Tuesday, December 21, 2021 4:09 PM
To: Gondelman, Richard F. <Richard.Gondelman@sba.gov>
Cc: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Rick-

Here is the response we sent in May. I am also attaching the incoming inquiry.

If you have a question about Denial of Liability on a Loan Guaranty, please send your question to:
7aDenials@sba.gov

Adrienne D Grierson
Deputy Director for Portfolio Management
and Quality Control
Office of Capital Access
U.S. Small Business Administration
202-205-6573 - office
301-520-6815 - mobile
adrienne.grierson@sba.gov



U.S. Small Business
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From: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>
Sent: Tuesday, December 21, 2021 4:05 PM
To: Gondelman, Richard F. <Richard.Gondelman@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Cc: Grierson, Adrienne D. <adrienne.grierson@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Hi Rick,

I copied Adrienne Grierson as I believe she has the most recent correspondence. I will check my emails and see what I have, though.

Thanks,

Cailyn Gerald
Deputy Director, Office of Financial Program Operations
Office of Capital Access
U.S. Small Business Administration
Phone: (202) 205-7373
Fax: (202) 741-6898

Cell PII [REDACTED]
cailyn.gerald@sba.gov



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From: Gondelman, Richard F. <Richard.Gondelman@sba.gov>
Sent: Tuesday, December 21, 2021 2:55 PM
To: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Hi Cailyn and Rosemarie, would either one of you have the final of the message that we sent to this lender on this loan to PACEM involving Atlantic Union Bank? We discussed this one about a year ago, in Nov/Dec 2020, and I had drafted some suggested language to send to the lender in email below. I didn't get the final on it, so don't know if this is what we sent to lender. Cailyn, this is the one that you and I spoke about last week. Two of my OGC colleagues have asked about it because the attorney in the Baltimore District Office has continued to get calls from the borrower about the 1112 payments for this loan. [REDACTED]

ACP, DPP

Thanks!
Rick

From: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>
Sent: Friday, December 4, 2020 11:15 AM
To: Gondelman, Richard F. <Richard.Gondelman@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

FYI

Cailyn Gerald
Deputy Director, Office of Financial Program Operations
Office of Capital Access

U.S. Small Business Administration
Phone: (202) 205-7373
Fax: (202) 741-6898

Cell PII [REDACTED]
cailyn.gerald@sba.gov



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From: Gondelman, Richard F. <Richard.Gondelman@sba.gov>
Sent: Wednesday, November 18, 2020 4:22 PM
To: Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>; Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Some suggested language for message to lender:

[REDACTED] ACP
[REDACTED]
[REDACTED]
[REDACTED]

From: Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Sent: Wednesday, November 18, 2020 1:23 PM
To: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>; Gondelman, Richard F. <Richard.Gondelman@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Hi:

I can meet after the Stakeholder call. how about 3:45pm? [REDACTED]

[REDACTED] ACP, DPP [REDACTED].

Regards,
Rosemarie A. Drake
Chief, 7(a) Loan Division
US Small Business Administration
409 3rd Street, SW
Washington, DC 20416

PII [REDACTED] Direct
rosemarie.drake@sba.gov



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From: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>
Sent: Wednesday, November 18, 2020 9:47 AM
To: Gondelman, Richard F. <Richard.Gondelman@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

I have another good one...

ACP, DPP
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

How is everyone's calendar looking today, packed? I will see if I can find a time we are all available to discuss this loans and the two loans we were corresponding about earlier this week.

Thanks,

Cailyn Gerald
Deputy Director, Office of Financial Program Operations
Office of Capital Access
U.S. Small Business Administration
Phone: (202) 205-7373
Fax: (202) 741-6898

Cell PII [REDACTED]
cailyn.gerald@sba.gov



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From: Carrington, Nique M. <charla.carrington@sba.gov>
Sent: Wednesday, November 18, 2020 9:17 AM
To: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>
Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Cailyn, here is the note and the amendments for this loan.

Nique Carrington
Director
Little Rock Commercial Loan Servicing Center
U.S. Small Business Administration
(501) 296-3081
nique.carrington@sba.gov



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From: Theobald, Kari A. <Kari.Theobald@sba.gov>
Sent: Wednesday, November 18, 2020 7:58 AM
To: Carrington, Nique M. <charla.carrington@sba.gov>
Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Hi Nique,
This is their reply.

From: Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>
Sent: Tuesday, November 17, 2020 1:54 PM
To: Theobald, Kari A. <Kari.Theobald@sba.gov>
Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

CAUTION - The sender of this message is external to the SBA network. Please use care when clicking on links and responding with sensitive information. Send suspicious email to spam@sba.gov.

Good Afternoon,

Please see the attached documentation per your request. Let me know if you have any questions. Thanks!

Jessica Childs
Loan Services Rep II

T 804.632.1817 Ext. 1817
24010 Partnership Blvd., Ruther Glen, VA 22546



From: Craig Machemer <Craig.Machemer@atlanticunionbank.com>
Sent: Tuesday, November 17, 2020 2:44 PM
To: David Talebian <David.Talebian@AtlanticUnionBank.com>; Kwame Asiedu <Kwame.Asiedu@AtlanticUnionBank.com>; Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>
Cc: Nicole Rainey <Nicole.Rainey@AtlanticUnionBank.com>; Adam S. Ostrach <Adam.Ostrach@atlanticunionbank.com>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

This should be everything you need, but if something is missing let me know and I'll hunt on FCM some more:

- Original SBA Note
- Original SBA Loan Authorization
- Original Note
- Original Financing & Security Agreement (loan agreement)
- Amendments to Note (6)

Craig Machemer
VP, Manager of Commercial Support

T: 703.871.1030 Ext. 3896 | F: 804.549.5096

1800 Robert Fulton Drive, Suite 250
Reston, Virginia 20191



From: David Talebian <David.Talebian@AtlanticUnionBank.com>
Sent: Tuesday, November 17, 2020 2:12 PM
To: Kwame Asiedu <Kwame.Asiedu@AtlanticUnionBank.com>; Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>
Cc: Nicole Rainey <Nicole.Rainey@AtlanticUnionBank.com>; Adam S. Ostrach <Adam.Ostrach@atlanticunionbank.com>; Craig Machemer <Craig.Machemer@atlanticunionbank.com>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust
Importance: High

Craig – this is time sensitive – can you pull these?

Nicole is on PTO today.

David A. Talebian
Market Executive and Commercial Team Leader

T: 703.871.1339 Ext. 2951 | C: PII [REDACTED]
1800 Robert Fulton Drive
Reston, VA 20191



From: Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>
Sent: Tuesday, November 17, 2020 1:52 PM
To: David Talebian <David.Talebian@AtlanticUnionBank.com>
Cc: Nicole Rainey <Nicole.Rainey@AtlanticUnionBank.com>; Kwame Asiedu <Kwame.Asiedu@AtlanticUnionBank.com>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

This is for the Pacem Loan #1080085275. I am still working on getting the payments, now the SBA is requesting the below documentation before processing due to the large amount and it being different than the first payment.

Jessica Childs
Loan Services Rep II

T 804.632.1817 Ext. 1817
24010 Partnership Blvd., Ruther Glen, VA 22546



From: David Talebian <David.Talebian@AtlanticUnionBank.com>
Sent: Tuesday, November 17, 2020 1:44 PM
To: Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>
Cc: Nicole Rainey <Nicole.Rainey@AtlanticUnionBank.com>; Kwame Asiedu <Kwame.Asiedu@AtlanticUnionBank.com>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust
Importance: High

Jessica – what loan is this? I think that's the SBA loan number so I can't see it in our system and it doesn't say anywhere in your email.

David A. Talebian
Market Executive and Commercial Team Leader

T: 703.871.1339 Ext. 2951 | C: PII [REDACTED]
1800 Robert Fulton Drive
Reston, VA 20191



From: Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>
Sent: Tuesday, November 17, 2020 12:04 PM
To: David Talebian <David.Talebian@AtlanticUnionBank.com>
Cc: Nicole Rainey <Nicole.Rainey@AtlanticUnionBank.com>
Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Good Afternoon,

Can you provide the below requested documents for the SBA please. Thanks!

Jessica Childs
Loan Services Rep II

T 804.632.1817 Ext. 1817
24010 Partnership Blvd., Ruther Glen, VA 22546



From: Theobald, Kari A. <Kari.Theobald@sba.gov>
Sent: Monday, November 16, 2020 7:16 PM
To: Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>
Subject: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Good Afternoon Ms. Childs,

We are reviewing the request for the 1112 CARES Act payments on loan 2843337007.
In order to continue with processing this request, we need additional loan information.

Please provide the following:

1. Complete copy of the Executed Loan Authorization and Agreement.
2. Complete copy of any and all Amendments.
3. If any Amendment does not clearly state the purpose for the Amendment, please provide a brief narrative.
4. If you have not already done so, please attach a complete copy of the Executed Note.

Please let me know if you have any questions.
Thank you for your quick response.

Kari Theobald
Supervisory Loan Officer
Little Rock Commercial Loan Servicing Center
U.S. Small Business Administration
(501) 324-5871
kari.theobald@sba.gov



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From: [Gondelman, Richard F. \(Temp\)](#)
To: [Grierson, Adrienne D.](#)
Cc: [Gerald, Cailyn B.](#); [Drake, Rosemarie A.](#)
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust
Date: Tuesday, December 21, 2021 4:47:00 PM
Attachments: [image004.png](#)
[image009.png](#)

Thanks Adrienne.

The response to the Ombudsman states that “Agency records indicate that subsidy payments were made for April 2020 and May of 2020. However, once the Borrower was reported to be in default, the Borrower ceased to be in regular servicing status as required under the CARES Act. As a result, the Borrower was ineligible for the remaining four subsidy payments that would have covered June through September of 2020.”

Cailyn and Rosemarie, when we discussed this a year ago, [REDACTED] ACP, DPP

[REDACTED]

[REDACTED]

From: Grierson, Adrienne D. <adrienne.grierson@sba.gov>
Sent: Tuesday, December 21, 2021 4:09 PM
To: Gondelman, Richard F. <Richard.Gondelman@sba.gov>
Cc: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Rick-

Here is the response we sent in May. I am also attaching the incoming inquiry.

If you have a question about Denial of Liability on a Loan Guaranty, please send your question to:
7aDenials@sba.gov

Adrienne D Grierson
Deputy Director for Portfolio Management
and Quality Control
Office of Capital Access
U.S. Small Business Administration
202-205-6573 - office
301-520-6815 - mobile
adrienne.grierson@sba.gov



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From: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>
Sent: Tuesday, December 21, 2021 4:05 PM
To: Gondelman, Richard F. <Richard.Gondelman@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Cc: Grierson, Adrienne D. <adrienne.grierson@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Hi Rick,

I copied Adrienne Grierson as I believe she has the most recent correspondence. I will check my emails and see what I have, though.

Thanks,

Cailyn Gerald
Deputy Director, Office of Financial Program Operations
Office of Capital Access
U.S. Small Business Administration
Phone: (202) 205-7373
Fax: (202) 741-6898

Cell PII [REDACTED]
cailyn.gerald@sba.gov



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From: Gondelman, Richard F. <Richard.Gondelman@sba.gov>
Sent: Tuesday, December 21, 2021 2:55 PM
To: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Hi Cailyn and Rosemarie, would either one of you have the final of the message that we sent to this lender on this loan to PACEM involving Atlantic Union Bank? We discussed this one about a year ago, in Nov/Dec 2020, and I had drafted some suggested language to send to the lender in email below. I didn't get the final on it, so don't know if this is what we sent to lender. Cailyn, this is the one that you and I spoke about last week. Two of my OGC colleagues have asked about it because the attorney in the Baltimore District Office has continued to get calls from the borrower about the 1112 payments for this loan. [REDACTED] ACP, DPP [REDACTED]

[REDACTED]
[REDACTED]
Thanks!

Rick

From: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>

Sent: Friday, December 4, 2020 11:15 AM

To: Gondelman, Richard F. <Richard.Gondelman@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>

Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

FYI

Cailyn Gerald
Deputy Director, Office of Financial Program Operations
Office of Capital Access
U.S. Small Business Administration
Phone: (202) 205-7373
Fax: (202) 741-6898

Cell [REDACTED]
cailyn.gerald@sba.gov



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From: Gondelman, Richard F. <Richard.Gondelman@sba.gov>

Sent: Wednesday, November 18, 2020 4:22 PM

To: Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>; Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>

Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Some suggested language for message to lender:

[REDACTED] ACP [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

From: Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>

Sent: Wednesday, November 18, 2020 1:23 PM

To: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>; Gondelman, Richard F. <Richard.Gondelman@sba.gov>

Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Hi:

I can meet after the Stakeholder call. how about 3:45pm?

ACP, DPP

Regards,

Rosemarie A. Drake

Chief, 7(a) Loan Division

US Small Business Administration

409 3rd Street, SW

Washington, DC 20416

PII Direct

rosemarie.drake@sba.gov



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From: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>

Sent: Wednesday, November 18, 2020 9:47 AM

To: Gondelman, Richard F. <Richard.Gondelman@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>

Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

I have another good one...

ACP, DPP

How is everyone's calendar looking today, packed? I will see if I can find a time we are all available to

discuss this loans and the two loans we were corresponding about earlier this week.

Thanks,

Cailyn Gerald
Deputy Director, Office of Financial Program Operations
Office of Capital Access
U.S. Small Business Administration
Phone: (202) 205-7373
Fax: (202) 741-6898

Cell PII
cailyn.gerald@sba.gov



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From: Carrington, Nique M. <charla.carrington@sba.gov>
Sent: Wednesday, November 18, 2020 9:17 AM
To: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>
Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Cailyn, here is the note and the amendments for this loan.

Nique Carrington
Director
Little Rock Commercial Loan Servicing Center
U.S. Small Business Administration
(501) 296-3081
nique.carrington@sba.gov



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necessarily inclusive of all SBA borrowers, nor can its accuracy be verified by the Agency. Accordingly, SBA cannot make any representation as to the completeness or accuracy of the information provided.

From: Theobald, Kari A. <Kari.Theobald@sba.gov>
Sent: Wednesday, November 18, 2020 7:58 AM
To: Carrington, Nique M. <charla.carrington@sba.gov>
Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Hi Nique,
This is their reply.

From: Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>
Sent: Tuesday, November 17, 2020 1:54 PM
To: Theobald, Kari A. <Kari.Theobald@sba.gov>
Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

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Good Afternoon,

Please see the attached documentation per your request. Let me know if you have any questions. Thanks!

Jessica Childs
Loan Services Rep II

T 804.632.1817 Ext. 1817
24010 Partnership Blvd., Ruther Glen, VA 22546



From: Craig Machemer <Craig.Machemer@atlanticunionbank.com>
Sent: Tuesday, November 17, 2020 2:44 PM
To: David Talebian <David.Talebian@AtlanticUnionBank.com>; Kwame Asiedu <Kwame.Asiedu@AtlanticUnionBank.com>; Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>
Cc: Nicole Rainey <Nicole.Rainey@AtlanticUnionBank.com>; Adam S. Ostrach <Adam.Ostrach@atlanticunionbank.com>

Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

This should be everything you need, but if something is missing let me know and I'll hunt on FCM some more:

- Original SBA Note
- Original SBA Loan Authorization
- Original Note
- Original Financing & Security Agreement (loan agreement)
- Amendments to Note (6)

Craig Machemer

VP, Manager of Commercial Support

T: 703.871.1030 Ext. 3896 | F: 804.549.5096
1800 Robert Fulton Drive, Suite 250
Reston, Virginia 20191



From: David Talebian <David.Talebian@AtlanticUnionBank.com>

Sent: Tuesday, November 17, 2020 2:12 PM

To: Kwame Asiedu <Kwame.Asiedu@AtlanticUnionBank.com>; Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>

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Importance: High

Craig – this is time sensitive – can you pull these?

Nicole is on PTO today.

David A. Talebian

Market Executive and Commercial Team Leader

T: 703.871.1339 Ext. 2951 | C: PII
1800 Robert Fulton Drive
Reston, VA 20191



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This is for the Pacem Loan #1080085275. I am still working on getting the payments, now the SBA is requesting the below documentation before processing due to the large amount and it being different than the first payment.

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Jessica – what loan is this? I think that’s the SBA loan number so I can’t see it in our system and it doesn’t say anywhere in your email.

David A. Talebian
Market Executive and Commercial Team Leader

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Please provide the following:

1. Complete copy of the Executed Loan Authorization and Agreement.
2. Complete copy of any and all Amendments.
3. If any Amendment does not clearly state the purpose for the Amendment, please provide a brief narrative.
4. If you have not already done so, please attach a complete copy of the Executed Note.

Please let me know if you have any questions.

Thank you for your quick response.

Kari Theobald

Supervisory Loan Officer

Little Rock Commercial Loan Servicing Center

U.S. Small Business Administration

(501) 324-5871

kari.theobald@sba.gov



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From: [Drake, Rosemarie A.](#)
To: [Grierson, Adrienne D.](#); [Gondelman, Richard F. \(Temp\)](#)
Cc: [Gerald, Cailyn B.](#)
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust
Date: Tuesday, December 21, 2021 4:34:55 PM
Attachments: [image001.png](#)
[image005.png](#)
[image010.png](#)

Hello all:

ACP, DPP

[SBA Procedural Notice 5000-20020 updated 4.17.2020.pdf](#) in paragraph 2 For a Loan in Regular Service in part b states: "Does not include any loan that has been moved from "regular servicing" into "liquidation" status, or any loan that should have been moved pursuant to SBA Loan Program Requirements from "regular servicing" into "liquidation" status prior to the first payment due date covered by section 1112. If the Lender receives a payment under section 1112 for a loan that the Lender failed to move into liquidation status as required by SBA Loan Program Requirements, the Lender must immediately notify SBA that it has placed the loan in liquidation status and immediately return the payment. A Borrower that is granted a deferment before the payments begin under section 1112 will not be removed from regular servicing status for failing to make any payments required by a catch-up plan; and c. generally, should not include any loan that is more than 120 days past due (as counted back from the first payment due date covered under section 1112)."

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LANA | CLCS | GPTS | ELIPS | Post Servicing

Pacem Solution International LLC FALLS CHURCH VA Amount \$5,000,000 Status Paid in Full Loan 28433370-07 App 11353174 Funded 08/10/2018

International Trade Loan Expand | Collapse

Pacem Solution International

Loan Info

Agent Info

Use of Proceeds

Liquidation

Closed (3)

1. (02/04/2021)

2. (04/03/2021)

3. (06/03/2021)

Litigation

1502 Info

Lender Comments

Project Info

Repayment

UCC Filings

History/Add Filing(s)

Liquidation Information, Guaranty Loan - READONLY

* Liquidation Official ☐

Change Liquidation Official

Liquidation Official's Last Name

* In Liquidation Date

Out Liquidation Date

* Liquidation Status

* Next Installment Due Date

* Liquidation Justification

* Other

Amount Recovered

Interest Into Liquidation

Principal Into Liquidation

Action Officials Information

Official Name	Official Type	Date Assigned	Date Unassigned	Phone Number
No Action Officials for this Case as yet.				

Regards,

Rosemarie A. Drake

Chief, 7(a) Loan Division

US Small Business Administration

409 3rd Street, SW

Washington, DC 20416

PII Direct

rosemarie.drake@sba.gov



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From: Grierson, Adrienne D. <adrienne.grierson@sba.gov>

Sent: Tuesday, December 21, 2021 4:09 PM

To: Gondelman, Richard F. <Richard.Gondelman@sba.gov>

Cc: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>

Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Rick-

Here is the response we sent in May. I am also attaching the incoming inquiry.

If you have a question about Denial of Liability on a Loan Guaranty, please send your question to:

7aDenials@sba.gov

Adrienne D Grierson
Deputy Director for Portfolio Management
and Quality Control
Office of Capital Access
U.S. Small Business Administration
202-205-6573 - office
301-520-6815 - mobile
adrienne.grierson@sba.gov



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From: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>

Sent: Tuesday, December 21, 2021 4:05 PM

To: Gondelman, Richard F. <Richard.Gondelman@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>

Cc: Grierson, Adrienne D. <adrienne.grierson@sba.gov>

Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Hi Rick,

I copied Adrienne Grierson as I believe she has the most recent correspondence. I will check my emails and see what I have, though.

Thanks,

Cailyn Gerald
Deputy Director, Office of Financial Program Operations
Office of Capital Access
U.S. Small Business Administration
Phone: (202) 205-7373
Fax: (202) 741-6898

Cell [REDACTED]
cailyn.gerald@sba.gov



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From: Gondelman, Richard F. <Richard.Gondelman@sba.gov>
Sent: Tuesday, December 21, 2021 2:55 PM
To: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Hi Cailyn and Rosemarie, would either one of you have the final of the message that we sent to this lender on this loan to PACEM involving Atlantic Union Bank? We discussed this one about a year ago, in Nov/Dec 2020, and I had drafted some suggested language to send to the lender in email below. I didn't get the final on it, so don't know if this is what we sent to lender. Cailyn, this is the one that you and I spoke about last week. Two of my OGC colleagues have asked about it because the attorney in the Baltimore District Office has continued to get calls from the borrower about the 1112 payments for this loan. [REDACTED]

[REDACTED] ACP, DPP [REDACTED]
[REDACTED]
[REDACTED]

Thanks!
Rick

From: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>
Sent: Friday, December 4, 2020 11:15 AM
To: Gondelman, Richard F. <Richard.Gondelman@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

FYI

Cailyn Gerald
Deputy Director, Office of Financial Program Operations

Office of Capital Access
U.S. Small Business Administration
Phone: (202) 205-7373
Fax: (202) 741-6898

Cell [REDACTED]
cailyn.gerald@sba.gov



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From: Gondelman, Richard F. <Richard.Gondelman@sba.gov>
Sent: Wednesday, November 18, 2020 4:22 PM
To: Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>; Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Some suggested language for message to lender:

[REDACTED] ACP [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED].

From: Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Sent: Wednesday, November 18, 2020 1:23 PM
To: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>; Gondelman, Richard F. <Richard.Gondelman@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Hi:

I can meet after the Stakeholder call. how about 3:45pm? [REDACTED] ACP, DPP [REDACTED]
[REDACTED]

Regards,
Rosemarie A. Drake
Chief, 7(a) Loan Division
US Small Business Administration
409 3rd Street, SW
Washington, DC 20416
[REDACTED] Direct
rosemarie.drake@sba.gov



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From: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>
Sent: Wednesday, November 18, 2020 9:47 AM
To: Gondelman, Richard F. <Richard.Gondelman@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

I have another good one...

ACP, DPP
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

How is everyone's calendar looking today, packed? I will see if I can find a time we are all available to discuss this loans and the two loans we were corresponding about earlier this week.

Thanks,

Cailyn Gerald
Deputy Director, Office of Financial Program Operations
Office of Capital Access
U.S. Small Business Administration
Phone: (202) 205-7373
Fax: (202) 741-6898

Cell [REDACTED]
cailyn.gerald@sba.gov



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From: Carrington, Nique M. <charla.carrington@sba.gov>
Sent: Wednesday, November 18, 2020 9:17 AM

To: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>

Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Cailyn, here is the note and the amendments for this loan.

Nique Carrington
Director
Little Rock Commercial Loan Servicing Center
U.S. Small Business Administration
(501) 296-3081
nique.carrington@sba.gov



U.S. Small Business
Administration

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From: Theobald, Kari A. <Kari.Theobald@sba.gov>

Sent: Wednesday, November 18, 2020 7:58 AM

To: Carrington, Nique M. <charla.carrington@sba.gov>

Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

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(501) 324-5871
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Cc: [Gerald, Cailyn B.](#); [Drake, Rosemarie A.](#)
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust
Date: Tuesday, December 21, 2021 4:09:10 PM
Attachments: [Ombudsman Inquiry Intl Trade Response Joseph Schmitz Pacem Solutions \(003\).pdf](#)
[image012.png](#)
[image017.png](#)
[02-22-21 OCA - Pacem Solutions International LLC.pdf](#)

Rick-

Here is the response we sent in May. I am also attaching the incoming inquiry.

If you have a question about Denial of Liability on a Loan Guaranty, please send your question to:
7aDenials@sba.gov

Adrienne D Grierson
Deputy Director for Portfolio Management
and Quality Control
Office of Capital Access
U.S. Small Business Administration
202-205-6573 - office
301-520-6815 - mobile
adrienne.grierson@sba.gov



U.S. Small Business
Administration

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Sent: Tuesday, December 21, 2021 4:05 PM
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Cc: Grierson, Adrienne D. <adrienne.grierson@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

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Cailyn Gerald
Deputy Director, Office of Financial Program Operations

Office of Capital Access
U.S. Small Business Administration
Phone: (202) 205-7373
Fax: (202) 741-6898

Cell [REDACTED]
cailyn.gerald@sba.gov



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To: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Hi Cailyn and Rosemarie, would either one of you have the final of the message that we sent to this lender on this loan to PACEM involving Atlantic Union Bank? We discussed this one about a year ago, in Nov/Dec 2020, and I had drafted some suggested language to send to the lender in email below. I didn't get the final on it, so don't know if this is what we sent to lender. Cailyn, this is the one that you and I spoke about last week. Two of my OGC colleagues have asked about it because the attorney in the Baltimore District Office has continued to get calls from the borrower about the 1112 payments for this loan. [REDACTED] ACP, DPP

[REDACTED]
[REDACTED]
[REDACTED]

Thanks!
Rick

From: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>
Sent: Friday, December 4, 2020 11:15 AM
To: Gondelman, Richard F. <Richard.Gondelman@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

FYI

Cailyn Gerald
Deputy Director, Office of Financial Program Operations
Office of Capital Access
U.S. Small Business Administration
Phone: (202) 205-7373

Fax: (202) 741-6898

Cell PII
cailyn.gerald@sba.gov



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From: Gondelman, Richard F. <Richard.Gondelman@sba.gov>
Sent: Wednesday, November 18, 2020 4:22 PM
To: Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>; Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Some suggested language for message to lender:

ACP
[Redacted]
[Redacted]
[Redacted]
[Redacted]

From: Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>
Sent: Wednesday, November 18, 2020 1:23 PM
To: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>; Gondelman, Richard F. <Richard.Gondelman@sba.gov>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Hi:

I can meet after the Stakeholder call. how about 3:45pm?

ACP, DPP
[Redacted]
[Redacted]

Regards,
Rosemarie A. Drake
Chief, 7(a) Loan Division
US Small Business Administration
409 3rd Street, SW
Washington, DC 20416
PII Direct
rosemarie.drake@sba.gov



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From: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>

Sent: Wednesday, November 18, 2020 9:47 AM

To: Gondelman, Richard F. <Richard.Gondelman@sba.gov>; Drake, Rosemarie A. <Rosemarie.Drake@sba.gov>

Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

I have another good one...

ACP, DPP
[Redacted]
[Redacted]
[Redacted]
[Redacted]

How is everyone's calendar looking today, packed? I will see if I can find a time we are all available to discuss this loans and the two loans we were corresponding about earlier this week.

Thanks,

Cailyn Gerald
Deputy Director, Office of Financial Program Operations
Office of Capital Access
U.S. Small Business Administration
Phone: (202) 205-7373
Fax: (202) 741-6898

Cell [Redacted]
cailyn.gerald@sba.gov



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From: Carrington, Nique M. <charla.carrington@sba.gov>
Sent: Wednesday, November 18, 2020 9:17 AM
To: Gerald, Cailyn B. <Cailyn.Gerald@sba.gov>
Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Cailyn, here is the note and the amendments for this loan.

Nique Carrington
Director
Little Rock Commercial Loan Servicing Center
U.S. Small Business Administration
(501) 296-3081
nique.carrington@sba.gov



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From: Theobald, Kari A. <Kari.Theobald@sba.gov>
Sent: Wednesday, November 18, 2020 7:58 AM
To: Carrington, Nique M. <charla.carrington@sba.gov>
Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Hi Nique,
This is their reply.

From: Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>

Sent: Tuesday, November 17, 2020 1:54 PM

To: Theobald, Kari A. <Kari.Theobald@sba.gov>

Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

CAUTION - The sender of this message is external to the SBA network. Please use care when clicking on links and responding with sensitive information. Send suspicious email to spam@sba.gov.

Good Afternoon,

Please see the attached documentation per your request. Let me know if you have any questions. Thanks!

Jessica Childs

Loan Services Rep II

T 804.632.1817 Ext. 1817

24010 Partnership Blvd., Ruther Glen, VA 22546



From: Craig Machemer <Craig.Machemer@atlanticunionbank.com>

Sent: Tuesday, November 17, 2020 2:44 PM

To: David Talebian <David.Talebian@AtlanticUnionBank.com>; Kwame Asiedu <Kwame.Asiedu@AtlanticUnionBank.com>; Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>

Cc: Nicole Rainey <Nicole.Rainey@AtlanticUnionBank.com>; Adam S. Ostrach <Adam.Ostrach@atlanticunionbank.com>

Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

This should be everything you need, but if something is missing let me know and I'll hunt on FCM some more:

- Original SBA Note
- Original SBA Loan Authorization
- Original Note
- Original Financing & Security Agreement (loan agreement)
- Amendments to Note (6)

Craig Machemer

VP, Manager of Commercial Support

T: 703.871.1030 Ext. 3896 | F: 804.549.5096

1800 Robert Fulton Drive, Suite 250

Reston, Virginia 20191



From: David Talebian <David.Talebian@AtlanticUnionBank.com>
Sent: Tuesday, November 17, 2020 2:12 PM
To: Kwame Asiedu <Kwame.Asiedu@AtlanticUnionBank.com>; Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>
Cc: Nicole Rainey <Nicole.Rainey@AtlanticUnionBank.com>; Adam S. Ostrach <Adam.Ostrach@atlanticunionbank.com>; Craig Machemer <Craig.Machemer@atlanticunionbank.com>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust
Importance: High

Craig – this is time sensitive – can you pull these?

Nicole is on PTO today.

David A. Talebian
Market Executive and Commercial Team Leader

T: 703.871.1339 Ext. 2951 | C: PII
1800 Robert Fulton Drive
Reston, VA 20191



From: Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>
Sent: Tuesday, November 17, 2020 1:52 PM
To: David Talebian <David.Talebian@AtlanticUnionBank.com>
Cc: Nicole Rainey <Nicole.Rainey@AtlanticUnionBank.com>; Kwame Asiedu <Kwame.Asiedu@AtlanticUnionBank.com>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

This is for the Pacem Loan #1080085275. I am still working on getting the payments, now the SBA is requesting the below documentation before processing due to the large amount and it being different than the first payment.

Jessica Childs
Loan Services Rep II

T 804.632.1817 Ext. 1817
24010 Partnership Blvd., Ruther Glen, VA 22546



From: David Talebian <David.Talebian@AtlanticUnionBank.com>
Sent: Tuesday, November 17, 2020 1:44 PM
To: Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>
Cc: Nicole Rainey <Nicole.Rainey@AtlanticUnionBank.com>; Kwame Asiedu <Kwame.Asiedu@AtlanticUnionBank.com>
Subject: RE: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust
Importance: High

Jessica – what loan is this? I think that’s the SBA loan number so I can’t see it in our system and it doesn’t say anywhere in your email.

David A. Talebian
Market Executive and Commercial Team Leader

T: 703.871.1339 Ext. 2951 | C: PII
1800 Robert Fulton Drive
Reston, VA 20191



From: Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>
Sent: Tuesday, November 17, 2020 12:04 PM
To: David Talebian <David.Talebian@AtlanticUnionBank.com>
Cc: Nicole Rainey <Nicole.Rainey@AtlanticUnionBank.com>
Subject: FW: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

Good Afternoon,

Can you provide the below requested documents for the SBA please. Thanks!

Jessica Childs
Loan Services Rep II

T 804.632.1817 Ext. 1817
24010 Partnership Blvd., Ruther Glen, VA 22546



From: Theobald, Kari A. <Kari.Theobald@sba.gov>
Sent: Monday, November 16, 2020 7:16 PM
To: Jessica A. Childs <Jessica.Childs@atlanticunionbank.com>
Subject: 1502 - 1112 Payment: Loan 2843337007, Union Bank & Trust

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Good Afternoon Ms. Childs,

We are reviewing the request for the 1112 CARES Act payments on loan 2843337007.
In order to continue with processing this request, we need additional loan information.

Please provide the following:

1. Complete copy of the Executed Loan Authorization and Agreement.
2. Complete copy of any and all Amendments.
3. If any Amendment does not clearly state the purpose for the Amendment, please provide a brief narrative.
4. If you have not already done so, please attach a complete copy of the Executed Note.

Please let me know if you have any questions.
Thank you for your quick response.

Kari Theobald
Supervisory Loan Officer
Little Rock Commercial Loan Servicing Center
U.S. Small Business Administration
(501) 324-5871
kari.theobald@sba.gov



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U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, DC 20416

Date: May 7, 2021

To: Mina A. Wales
Deputy National Ombudsman

From: **ADRIENNE
GRIERSON**
for Jihoon Kim
Director
Office of Financial Program Operations

Digitally signed by ADRIENNE
GRIERSON
Date: 2021.05.07 18:12:30
-04'00'

Re: Comments from Joseph Schmitz - Pacem Solutions International, LLC
SBA Loan 2843337007

The Office of the National Ombudsman (ONO) received a comment from Mr. Joseph Schmitz, Chief Legal Officer of Pacem Solution International, LLC (“Borrower”), regarding SBA subsidy payments under section 1112 of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), wherein SBA stated it will pay the principal, interest that Borrowers owe on a “covered loan” in a “regular servicing status” to 7(a) Lenders and Certified Development Companies (CDCs) for a 6-month period.

Agency records indicate that Pacem Solutions International, LLC has, an outstanding International Trade loan that was fully funded August 10, 2018 for \$5,000,000. The loan currently and has an outstanding balance of \$4,650,000. The loan has been in default since late April 2020, which was reported to the Agency by the Lender in May 2020. The current status of the loan is “Disbursed in Liquidation”.

Mr. Schmitz states that SBA did not make four of the six monthly subsidy payments to the Borrower’s lender to credit the outstanding loan. Agency records indicate that subsidy payments were made for April 2020 and May of 2020. However, once the Borrower was reported to be in default, the Borrower ceased to be in regular servicing status as required under the CARES Act. As a result, the Borrower was ineligible for the remaining four subsidy payments that would have covered June through September of 2020.

If you have further questions about SBA servicing and CARES Act programs, please contact Sarah Hawkins, Deputy Center Director at sarah.hawkins@sba.gov or by phone at (501) 324-5871, extension 242.



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

OFFICE OF THE NATIONAL OMBUDSMAN

MEMORANDUM

To: Dionna Martin, Chief Operations Division
Office of Capital Access

From: Mina A. Wales
Deputy National Ombudsman

Date: February 22, 2021

Subject: Comment from Pacem Solution International, LLC

The Office of the National Ombudsman (ONO) received a comment from Ms. Joseph Schmitz, Chief Legal Officer, Pacem Solution International, LLC, regarding SBA subsidy payments.

Mr. Schmitz explained that SBA has not made four subsidy payments from June to September 2020 to his lender for his loan.

Recognizing the importance of this issue to Mr. Schmitz, I am referring it to you for review and a response. I would appreciate a response to my office within thirty (30) days of receipt of this memo. I have attached a copy of Mr. Schmitz's correspondence.

Thank you for your attention to this matter. If you have any questions or concerns, please contact Ms. Cynthia Pope, Case Management Specialist, by telephone at (202) 205-2417 or e-mail at ombudsman@sba.gov.

encl.

MAW/cdp

**Federal Agency Comment Form**

OMB Control #3245-0313

Exp. date 9/30/2022

Case #:

Small Business Administration – Office of the National Ombudsman

PURPOSE: Small business owners may use this form to submit comments on Federal enforcement/compliance actions that they consider excessive or unfair. The National Ombudsman will use the information when it contacts the applicable Federal agency for a review of the action. Completion of this form is voluntary; however, failure to submit the requested information could impact whether SBA's Office of the National Ombudsman is able to provide you with assistance

Instructions

1. Complete, sign and date this form. (Signature not required if completed at [Office-National-Ombudsman](#))
2. Provide a brief written statement on the reverse side or a separate sheet of paper regarding the specific enforcement or compliance action taken against your organization by the federal agency
3. Submit copies of substantiating documentation such as correspondence citation or notice (Note: can be submitted separately from this form by fax or mail. Make sure to reference your name or company's name with this information).
4. If your comments concern the IRS, you must also submit a completed IRS Tax Information Authorization Form 8821, available at [IRS.gov/forms](#) (Can be sent by fax or mail.)
5. Fax, e-mail or send this form and requested information to: (1) Fax: (202) 481-5719; (2) Email: Ombudsman@sba.gov; (3) Address: SBA, Office of National Ombudsman, 409 Third Street, SW, Washington, DC 20024. Telephone: (202) 205-2417.

Please Print

Organization/Company Name: Pacem Solution International, LLC

Address: 2941 Fairview Park Drive, Suite 350

City: Falls Church

State: Virginia

Zip 22042

Phone: (703) 992-3095 Fax:

E-Mail: joseph.schmitz@pacem-solutiContact Name: ☒ Mr. ☐ Ms. Joseph E. Schmitz

Title: Chief Legal Officer

Please indicate your organization type:

☒ Small Business ☐ Not-for-Profit Representing Members☐ Small Government (Population of less than 50,000) ☐ Association Representing Members**List the federal agency with which you are having a problem**

Federal Agency Name: Small Business Admin.

Agency Contact Person: TBD

Agency Office/Division: TBD

Did the federal agency listed above inform you of your right to contact the SBA Office of the National Ombudsman?

☐ Yes ☒ No If not how did you learn about this Office From SBA Washington Metro Resource Guide**Confidentiality/Disclosure**

The National Ombudsman is required to keep confidential the identity of any person or small business providing a comment about an agency's compliance or enforcement action unless that person or small business provides consent, or disclosure is determined to be unavoidable. Confidentiality is governed by the Small Business Regulatory Enforcement Fairness Act 15 U.S.C. 657(b)(2)(B) and the Inspector General's Act, 5 U.S.C. App., § 7(b). You may make a selection below to authorize SBA to share your identity with the federal agency with which you are having a problem so that agency can investigate your specific problem and offer a response tailored to your situation. By requesting confidentiality, the federal agency may not have sufficient information to investigate your specific problem, possibly delaying or preventing any potential resolution of your situation



I request that my identity be shared only with the federal agency(ies) with which I am having a problem



I request that my identity be kept confidential. (Results may be limited.)

PII

Date: 02/12/2021

Your signature authorizes the SBA Ombudsman to proceed on your behalf.
Pursue all legal options you believe are in your company's best interest.
This process is not a substitute for legal action.

SBA FORM 1993 (9-19) Previous Editions Obsolete

PLEASE NOTE: The estimated burden for completing this form is 45 minutes. You are not required to respond to this information collection if a valid OMB approval number is not displayed. If you have any questions or comments concerning this estimate or other aspects of this information collection, please contact the U. S. Small Business Administration, Director, Records Management Division, 409 Third Street, SW, Washington, D.C ., 20416 and/or Office of Management and Budget, SBA Desk Officer, New Executive Office Building, Rm. 10202, Washington, D.C. 20503. **PLEASE DO NOT SEND FORMS TO OMB, as this will delay action on your request for assistance.**

Type or (print) your comments below:

Dear Sir/Madam:

Our lender, Atlantic Union Bank, has advised that the SBA has not made four (4) subsidy payments under Section 1112 of the Cares Act for the period from June to September 2020 in connection with our \$5,000,000 loan of August 10, 2018 (Loan No. 1080085275).

Although a recent letter from SBA advised us "about the debt relief assistance available to your business from the U.S. Small Business Administration (SBA) under Section 1112," and suggests that, "if your business has not received, or does not receive, the assistance summarized above, and you believe that your loan is eligible for such assistance, you should immediately contact the lender of your loan," the lender has been unable to provide details, other than that " the loan was still in review, " regarding the status of the above-mentioned four SBA payments to our lender that were due to be paid by SBA from June to September 2020.

Accordingly, please let us know as soon as possible a point of contact within SBA, by name and contact information, whom we can contact to ensure that the additional four subsidy payments under Section 1112 of the Cares Act are promptly paid to Atlantic Union Bank.

PII

Hon. Joseph E. Schmitz
 Chief Legal Officer
 (703) 992-3095

From: [Joseph Schmitz](#)
To: [Hou, Ashley H.](#)
Cc: [Embrey, Arlene M.](#)
Subject: RE: Return call--CARES Act Subsidy Payment Claim; SBA Loan 2843337007
Date: Thursday, July 21, 2022 11:38:47 AM
Attachments: [image001.png](#)
[Index for PACEM Form 95 Attachment.pdf](#)

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Ashley: As requested, attached is an index to our Form 95 Attachment. Please call me if you have any questions or concerns. /Joe/

JOSEPH SCHMITZ
 Chief Legal Officer



2941 Fairview Park Drive
 Suite 350
 Falls Church, VA 22042

US Cell: +1 703 992 3095
 Office: +1 571 385 0297
 Email: joseph.schmitz@pacem-solutions.com
joseph.schmitz@pacem-defense.com

From: Hou, Ashley H. <Ashley.Hou@sba.gov>
Sent: Thursday, July 21, 2022 9:54 AM
To: Joseph Schmitz <joseph.schmitz@pacem-solutions.com>
Cc: Embrey, Arlene M. <Arlene.Embrey@sba.gov>
Subject: RE: Return call--CARES Act Subsidy Payment Claim; SBA Loan 2843337007

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Hi Joe,

I think I figured out that at the end of K is the September 2021 FOIA letter and then L is also the September 28, 2021 which looks like a duplicate. So maybe it was inadvertently combined. If you happen to have the table of contents, it would be helpful so that when the record is referred to, we can all be on the same page. In the meantime I will print out what you provided. Thanks, Ashley

From: Joseph Schmitz <joseph.schmitz@pacem-solutions.com>
Sent: Wednesday, July 20, 2022 2:50 PM
To: Hou, Ashley H. <Ashley.Hou@sba.gov>
Cc: Embrey, Arlene M. <Arlene.Embrey@sba.gov>
Subject: RE: Return call--CARES Act Subsidy Payment Claim; SBA Loan 2843337007

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Ashley: Once again, I cannot explain why your tabs do not match my duplicate binder tabs.

Attached are the documents that should have been behind Tabs L, M, N, and O (as they are in my duplicate binder). What you have listed as Tabs N and O are both at my Tab O, which is the May 13, 2022, e-mail from Oreoluwa (Ore) Fashola to me, confirming that, "The Office of General Counsel has informed me that this matter is still under review." My May 3, 2022, mail to Ore is in the e-mail trail behind Ore's May 13, 2022, e-mail at Tab O. *Mea culpa*, again.
/Joe/

JOSEPH SCHMITZ
Chief Legal Officer



2941 Fairview Park Drive
Suite 350
Falls Church, VA 22042

US Cell: +1 703 992 3095
Office: +1 571 385 0297
Email: joseph.schmitz@pacem-solutions.com
joseph.schmitz@pacem-defense.com

From: Hou, Ashley H. <Ashley.Hou@sba.gov>
Sent: Wednesday, July 20, 2022 1:11 PM
To: Joseph Schmitz <joseph.schmitz@pacem-solutions.com>
Cc: Embrey, Arlene M. <Arlene.Embrey@sba.gov>
Subject: RE: Return call--CARES Act Subsidy Payment Claim; SBA Loan 2843337007

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Thank you, that was under Tab L and so want to confirm with you the next few tabs. See below.

Tab L- December 1, 2021 letter to FOIA
Tab M- May 7, 2021 letter to Mina Wales
Tab N- Email from Joseph Schmitz to Oreoluwa on May 3, 2022
Tab O-Email from Joseph Schmitz to Oreoluwa on May 13, 2022

Ashley

From: Joseph Schmitz <joseph.schmitz@pacem-solutions.com>
Sent: Wednesday, July 20, 2022 12:10 PM
To: Hou, Ashley H. <Ashley.Hou@sba.gov>
Cc: Embrey, Arlene M. <Arlene.Embrey@sba.gov>

Subject: RE: Return call--CARES Act Subsidy Payment Claim; SBA Loan 2843337007

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Ashley: Attached is the document behind Tab K in my Form 95 duplicate binder. I can't explain why it is not in your original. *Mea culpa.* /Joe/

JOSEPH SCHMITZ

Chief Legal Officer



2941 Fairview Park Drive
Suite 350
Falls Church, VA 22042

US Cell: +1 703 992 3095
Office: +1 571 385 0297
Email: joseph.schmitz@pacem-solutions.com
joseph.schmitz@pacem-defense.com

From: Hou, Ashley H. <Ashley.Hou@sba.gov>

Sent: Wednesday, July 20, 2022 12:03 PM

To: Joseph Schmitz <joseph.schmitz@pacem-solutions.com>

Cc: Embrey, Arlene M. <Arlene.Embrey@sba.gov>

Subject: RE: Return call--CARES Act Subsidy Payment Claim; SBA Loan 2843337007

****This email is from an External Source. Please use caution when clicking links or opening attachments.****

Hello Joe,

I was going through the binder and do not see anything in Tab K. Can you tell me if there's a document for Tab K or was it blank. Thanks, Ashley

From: Joseph Schmitz <joseph.schmitz@pacem-solutions.com>

Sent: Tuesday, July 12, 2022 7:49 AM

To: Hou, Ashley H. <Ashley.Hou@sba.gov>

Cc: Embrey, Arlene M. <Arlene.Embrey@sba.gov>

Subject: RE: Return call--CARES Act Subsidy Payment Claim; SBA Loan 2843337007

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Ashley: Please confirm receipt of my Form 95, the cover letter for which is attached. Thank you, /Joe/

JOSEPH SCHMITZ

Chief Legal Officer



2941 Fairview Park Drive
Suite 350
Falls Church, VA 22042

US Cell: +1 703 992 3095
Office: +1 571 385 0297
Email: joseph.schmitz@pacem-solutions.com
joseph.schmitz@pacem-defense.com

From: Joseph Schmitz

Sent: Wednesday, June 29, 2022 3:22 PM

To: 'Hou, Ashley H.' <Ashley.Hou@sba.gov>

Cc: Embrey, Arlene M. <Arlene.Embrey@sba.gov>

Subject: RE: Return call--CARES Act Subsidy Payment Claim; SBA Loan 2843337007

Ashley: Attached is my cover letter of yesterday addressed to you, cc Arlene Embrey, for the Form 95 package that you should have received by courier earlier today. Please confirm receipt of the Form 95 package.

As I suggest in the attached cover letter based on my recent phone call with Arlene, notwithstanding the filing of the Form 95 I am hopeful that we might still receive an informal positive result based on our July 20, 2021, letter to Mr. Jihoon Kim, requesting the correction of what appears to have been an administrative error.

Please call me if you have any updates on such an informal decision, or you have any questions or concerns about the Form 95. Thanks, /Joe/

JOSEPH SCHMITZ

Chief Legal Officer



2941 Fairview Park Drive
Suite 350
Falls Church, VA 22042

US Cell: +1 703 992 3095
Office: +1 571 385 0297
Email: joseph.schmitz@pacem-solutions.com
joseph.schmitz@pacem-defense.com

From: Hou, Ashley H. <Ashley.Hou@sba.gov>

Sent: Tuesday, March 8, 2022 12:27 PM

To: Joseph Schmitz <joseph.schmitz@pacem-solutions.com>

Subject: Return call--

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Hi Joe,

I did receive your calls and messages. I don't have anything new to report and will check up on it again. Ashley

Ashley H. Hou
Area 1 Counsel
Office of General Counsel
Baltimore District Office
U.S. Small Business Administration
100 S. Charles Street, Suite 1201
Baltimore, MD 21201
(410) 244-3343 office
(410) 805-3768 mobile
Ashley.hou@sba.gov



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INDEX TO PACEM FORM 95 ATTACHMENT

- Tab A - 2021-05-07 SBA Internal Memo from Jihoon Kim to SBA Deputy National Ombudsman Mina A. Wales
- Tab B - 2021-05-19 Letter from SBA Acting National Ombudsman to JES without enclosure
- Tab C - SBA Note Amortization as of 6-1-22
- Tab D - CARES Act, Section 1112
- Tab E - 2021-02-12 SBA Form 1993 (Federal Agency Comment Form) signed by Hon. Joseph E. Schmitz
- Tab F - 2020-04-16 SBA Procedural Notice 5000-20020
- Tab G - 2018-08-10 Access National Bank SBA Loan (\$5 million)
- Tab H - 2020-03-19 5th Amendment - AUB \$5m Loan Extension
- Tab I - 2020-05-22 6th Amendment - AUB \$5m Loan Extension
- Tab J - 2021-07-20 Letter to Mr. Jihoon Kim (SBA) with enclosures
- Tab K - 2021-08-05 Supplemental Letter to Jihoon Kim
- Tab L - 2021-09-28 Appeal Response - SBA-2021-016204 Schmitz (e-mailed 9-30-21)
- Tab M - 2021-12-01 2nd FOIA Request to SBA with enclosures
- Tab N - 2022-05-03 E-mail from JES to SBA FOIA Chief -- FW FOIA APPEAL, ATT: Chief, Freedom of Information & Privacy Act
- Tab O - 2022-05-13 E-mail from SBA FOIA Chief to JES -- RE FOIA APPEAL, ATT: Chief, Freedom of Information & Privacy Act



June 28, 2022

Via Overnight Courier

Ashley Hou, Esq.
Regional Counsel
U.S. Small Business Administration
Baltimore District Office
100 South Charles Street; Suite 1201
Baltimore, Maryland 21201

SUBJ: CARES Act Subsidy Payment Claim; SBA Loan 2843337007

Dear Ashley:

Please accept for processing the enclosed Form 95 Claim for Damages based on the SBA's statutory duty under the 2020 Coronavirus Aid, Relief, and Economic Security Act, aka the CARES Act, to pay six subsidy payments in connection with the \$5,000,000 SBA loan of Pacem Solution International LLC ("PACEM"), Loan No. 2843337007, two of which subsidy payments the SBA made for April 2020 and May 2020 respectively.

I understand from your colleague in the SBA Office of General Counsel, Arlene Embrey, Esq., that the filing of the enclosed Form 95 we still might get an informal decision based on our July 20, 2021, letter to Mr. Jihoon Kim, Director of SBA's Financial Program Operations, which letter is included at Tab J of the enclosed Form 95, and which is the subject of an ongoing review within the SBA Office of General Counsel.

If you have any questions or concerns, as always, please call me at 703-992-3095.

Yours truly,


PII

Joseph E. Schmitz
Chief Legal Officer

Enclosures:

- Claim for Damage (Form 95), June 28, 2022
- Form 95 Attachment with Tabs A-O

CC: Arlene Embrey, Esq., SBA Office of General Counsel (without enclosures)

CLAIM FOR DAMAGE, INJURY, OR DEATH		INSTRUCTIONS: Please read carefully the instructions on the reverse side and supply information requested on both sides of this form. Use additional sheet(s) if necessary. See reverse side for additional instructions.		FORM APPROVED OMB NO. 1105-0008	
1. Submit to Appropriate Federal Agency: U.S. Small Business Administration; Baltimore District Office 100 South Charles Street; Suite 1201 Baltimore, Maryland 21201			2. Name, address of claimant, and claimant's personal representative if any. (See instructions on reverse). Number, Street, City, State and Zip code. PACEM SOLUTION INTERNATIONAL, LLC 2941 Fairview Park Drive; Suite 350 Falls Church, Virginia 22042		
3. TYPE OF EMPLOYMENT <input type="checkbox"/> MILITARY <input checked="" type="checkbox"/> CIVILIAN		4. DATE OF BIRTH Not applicable		5. MARITAL STATUS Not applicable	
6. DATE AND DAY OF ACCIDENT Not applicable		7. TIME (A.M. OR P.M.) Not applicable			
8. BASIS OF CLAIM (State in detail the known facts and circumstances attending the damage, injury, or death, identifying persons and property involved, the place of occurrence and the cause thereof. Use additional pages if necessary). See Attachment					
9. PROPERTY DAMAGE					
NAME AND ADDRESS OF OWNER, IF OTHER THAN CLAIMANT (Number, Street, City, State, and Zip Code). Not applicable					
BRIEFLY DESCRIBE THE PROPERTY, NATURE AND EXTENT OF THE DAMAGE AND THE LOCATION OF WHERE THE PROPERTY MAY BE INSPECTED. (See instructions on reverse side). See Attachment					
10. PERSONAL INJURY/WRONGFUL DEATH					
STATE THE NATURE AND EXTENT OF EACH INJURY OR CAUSE OF DEATH, WHICH FORMS THE BASIS OF THE CLAIM. IF OTHER THAN CLAIMANT, STATE THE NAME OF THE INJURED PERSON OR DECEDENT. Not applicable					
11. WITNESSES					
NAME		ADDRESS (Number, Street, City, State, and Zip Code)			
Jihoon Kim, Dir. Office of Financial Prog. Ops Mina A. Wales, Acting National Ombudsman		U.S. Small Business Administration, Washington D.C. 20416 U.S. SBA, 409 3rd Street, SW, MC 2120, Washington, DC 20416			
12. (See instructions on reverse). AMOUNT OF CLAIM (in dollars)					
12a. PROPERTY DAMAGE		12b. PERSONAL INJURY		12c. WRONGFUL DEATH	
12d. TOTAL (Failure to specify may cause forfeiture of your rights).					
3,914,303.23		0.00		0.00	
3,914,303.23					
I CERTIFY THAT THE AMOUNT OF CLAIM COVERS ONLY DAMAGES AND INJURIES CAUSED BY THE INCIDENT ABOVE AND AGREE TO ACCEPT SAID AMOUNT IN FULL SATISFACTION AND FINAL SETTLEMENT OF THIS CLAIM.					
13a. SIGNATURE OF CLAIMANT (See instructions on reverse side).			13b. PHONE NUMBER OF PERSON SIGNING FORM		14. DATE OF SIGNATURE
			703-992-3095		6-28-22
CIVIL PENALTY FOR PRESENTING FRAUDULENT CLAIM The claimant is liable to the United States Government for a civil penalty of not less than \$5,000 and not more than \$10,000, plus 3 times the amount of damages sustained by the Government. (See 31 U.S.C. 3729).			CRIMINAL PENALTY FOR PRESENTING FRAUDULENT CLAIM OR MAKING FALSE STATEMENTS Fine, imprisonment, or both. (See 18 U.S.C. 287, 1001.)		

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STANDARD FORM 95 (REV. 2/2007)
PRESCRIBED BY DEPT. OF JUSTICE
28 CFR 14.2

CLAIM FOR DAMAGE, INJURY, OR DEATH		INSTRUCTIONS: Please read carefully the instructions on the reverse side and supply information requested on both sides of this form. Use additional sheet(s) if necessary. See reverse side for additional instructions.		FORM APPROVED OMB NO. 1105-0008	
1. Submit to Appropriate Federal Agency: U.S. Small Business Administration; Baltimore District Office 100 South Charles Street; Suite 1201 Baltimore, Maryland 21201			2. Name, address of claimant, and claimant's personal representative if any. (See instructions on reverse). Number, Street, City, State and Zip code. PACEM SOLUTION INTERNATIONAL, LLC 2941 Fairview Park Drive; Suite 350 Falls Church, Virginia 22042		
3. TYPE OF EMPLOYMENT <input type="checkbox"/> MILITARY <input checked="" type="checkbox"/> CIVILIAN		4. DATE OF BIRTH Not applicable	5. MARITAL STATUS Not applicable	6. DATE AND DAY OF ACCIDENT Not applicable	
7. TIME (A.M. OR P.M.) Not applicable					
8. BASIS OF CLAIM (State in detail the known facts and circumstances attending the damage, injury, or death, identifying persons and property involved, the place of occurrence and the cause thereof. Use additional pages if necessary). See Attachment					
9. PROPERTY DAMAGE					
NAME AND ADDRESS OF OWNER, IF OTHER THAN CLAIMANT (Number, Street, City, State, and Zip Code). Not applicable					
BRIEFLY DESCRIBE THE PROPERTY, NATURE AND EXTENT OF THE DAMAGE AND THE LOCATION OF WHERE THE PROPERTY MAY BE INSPECTED. (See instructions on reverse side). See Attachment					
10. PERSONAL INJURY/WRONGFUL DEATH					
STATE THE NATURE AND EXTENT OF EACH INJURY OR CAUSE OF DEATH, WHICH FORMS THE BASIS OF THE CLAIM. IF OTHER THAN CLAIMANT, STATE THE NAME OF THE INJURED PERSON OR DECEDENT. Not applicable					
11. WITNESSES					
NAME			ADDRESS (Number, Street, City, State, and Zip Code)		
Jihoon Kim, Dir. Office of Financial Prog. Ops Mina A. Wales, Acting National Ombudsman			U.S. Small Business Administration, Washington D.C. 20416 U.S. SBA, 409 3rd Street, SW, MC 2120, Washington, DC 20416		
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12a. PROPERTY DAMAGE		12b. PERSONAL INJURY		12c. WRONGFUL DEATH	
3,914,303.23		0.00		0.00	
				12d. TOTAL (Failure to specify may cause forfeiture of your rights). 3,914,303.23	
I CERTIFY THAT THE AMOUNT OF CLAIM COVERS ONLY DAMAGES AND INJURIES CAUSED BY THE INCIDENT ABOVE AND AGREE TO ACCEPT SAID AMOUNT IN FULL SATISFACTION AND FINAL SETTLEMENT OF THIS CLAIM.					
13a. SIGNATURE OF CLAIMANT (See instructions on reverse side). [Redacted Signature] PII				13b. PHONE NUMBER OF PERSON SIGNING FORM 703-992-3095	
14. DATE OF SIGNATURE 6-28-22					
CIVIL PENALTY FOR PRESENTING FRAUDULENT CLAIM			CRIMINAL PENALTY FOR PRESENTING FRAUDULENT CLAIM OR MAKING FALSE STATEMENTS		
The claimant is liable to the United States Government for a civil penalty of not less than \$5,000 and not more than \$10,000, plus 3 times the amount of damages sustained by the Government. (See 31 U.S.C. 3729)			Fine, imprisonment, or both. (See 18 U.S.C. 287, 1001.)		